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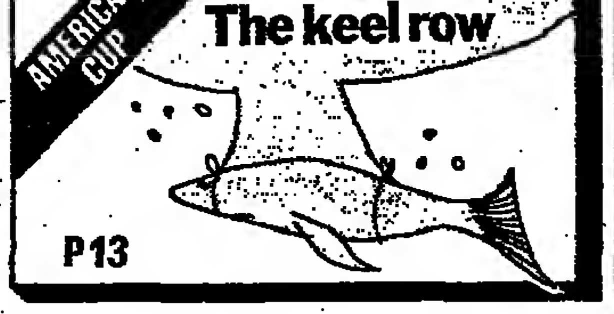


NEWS

GENERAL

Andropov offers to scrap missiles

Soviet leader Yuri Andropov yesterday offered to scrap a "considerable number" of Soviet SS-20 missiles, as part of an East-West agreement on curbing medium-range nuclear arms in Europe.

It was the first such clear Kremlin statement since talks on arms curbs began in 1981.

The Soviet Union previously offered only to withdraw missiles to Siberia, out of range of Europe, which the U.S. said was not enough.

Liberals fall out

A bitter row in the Liberal Party followed leader David Steel's letter to fellow MPs about party attitudes. Page 3

Hostage set free

The Irish National Liberation Army freed Elizabeth Kirkpatrick, whom it had kidnapped to dissuade her supergrass husband from giving evidence against its members.

Fatal RAF crash

Holidaymakers watched an RAF Lightning aircraft crash 200 yards offshore in Scarborough North Bay, killing the pilot.

Pakistan hopes

Leaders of anti-government protests in Pakistan believe President Zia ul-Haq will soon begin talks with them. Page 2

Chile may ease up

Chile's military rulers are considering lifting the 1978 emergency laws and easing curbs on civil liberties and political activity. Page 2

Diplomat defects

Zygmunt Idczakowski, first secretary at the Polish embassy in Copenhagen, asked for political asylum in Denmark.

Reagan wooing

In a bid to court women voters, President Reagan said he was pushing for tougher enforcement of sex discrimination laws.

Rapist's lair

Police searching woods in Bexley, south London, for a double rapist found a 14 ft long underground room with bed and food, which they think he used.

Kiwi collapse

New Zealand were 135 for 7 in reply to England's 420 in the fourth cricket test.

Campaign afoot

BR is to provide a free sock-washing service for passengers at Euston station, London, on Thursday, as part of a promotional campaign.

Briefly . . .

Very warm holiday weekend was forecast. Back Page

Mini turned 24. Page 3.

Vienna apartment house fire killed three people.

Black widow spider plague hit Astrakhan, southern USSR.

Financial Times

The Financial Times will not be published on bank holiday Monday, August 29.

BUSINESS

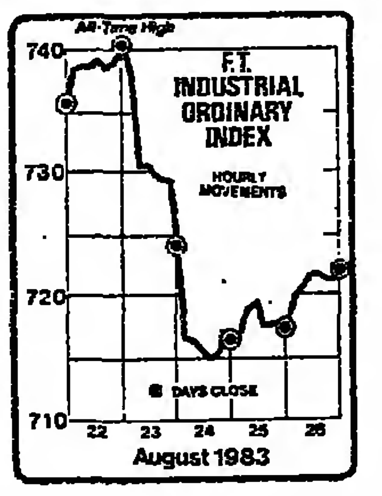
Mexico signs debt accord

● MEXICAN Finance Minister Jesus Silva Herzog signed a rescheduling agreement covering $11.4bn (£7.6bn) of government debts—the major part of the biggest rescheduling package to be put together for any debtor country. Page 2

● STERLING fell 65 points to $1.5015 but rose to DM 4.0075 (DM 3.975), FFr 12.05 (FFr 11.975), SwFr 3.26 (SwFr 3.23) and Y369.5 (Y366.5). Its trade-weighted index was 84.8 (84.7). Page 19

● DOLLAR rose to DM 2.668 (DM 2.6355), FFr 8.025 (FFr 7.941), SwFr 2.1715 (SwFr 2.1425) and Y246 (Y243). Its trade-weighted index was 128.8 (127.6). Page 19

● EQUITIES regained confidence after their mid-week fall. The FT Industrial Ordinary index closed 4.7 up at 722.1. Page 22



● GILTS traded quietly, reluctant to respond to good or bad omens. Page 22

● WALL STREET was up 7.11 at 1,192.17 near the close. Page 18

● GOLD fell $5.50 to $418.125 in London. In New York the Comex August settlement was $419.6 ($417.5). Page 19

● LAKE & ELLIOT'S loss-making National Steel Foundry in Leven, Fife, has been bought by a management team. Page 3

● FISHER Controls, makers of control valves, confirmed it may close two factories employing 650 and concentrate production at one plant. Page 3

● POLICE are ready to take over the work of prison officers in Northern Ireland who are refusing to work overtime on Monday. Page 3

● EGYPT raised the prices of its heavier crude oils for the fourth time since April. Page 2

● STANBIC (Standard Bank Investment Corporation), South African arm of Standard Chartered, is to increase its stake in Liberty Life Association, the country's third largest insurance group. Page 21

● GLENEAGLES Hotels plans a £9.5m rights issue to finance the acquisition of Grand Metropolitan's Piccadilly Hotel in London. Back Page

● ROPNER, shipping and engineering group, saw first-half pre-tax profits slump to £1.42m against £3.54m. Page 16

● RAYBECK, clothing manufacturer and retailers, incurred pre-tax losses of £1.43m in the 53 weeks to April 30 against a profit of £215,000. Page 16

Lloyd's set for profit record of over £300m

BY JOHN MOORE, CITY CORRESPONDENT

LLOYD'S OF LONDON insurance market is expected to report record profits of more than £300m next week when it announces results for the last completed trading period. They will represent a major improvement in the market's overall performance.

Lloyd's keeps its accounts open for three years to assess more accurately the extent of liabilities on its insurance policies. Last year it declared results for the 1979 underwriting account which showed £173m profits, themselves a record.

Projections by the Association of Members of Lloyd's formed of 1,000 members of the Lloyd's community, have indicated that the 1980 account profit could be about £316m.

Underwriting losses are expected to have risen bu substantial returns from investment income will have swelled the overall improvement in Lloyd's performance.

This will mean that on average the 18,000 or so Lloyd's members entitled to receive a return from the 1980 underwriting account will receive a higher payout.

Lloyd's private membership pledges all its wealth, allowing the market to function, in return for a share of the profits. Lloyd's professionals accept business on their behalf and they receive a regular payout.

According to the Association of Members of Lloyd's the average payout for the 1980 account based on a survey, of about half of Lloyd's total insurance capacity was about £900 for each £10,000 of business accepted by each member. This compares with £600 for the 1979 underwriting account.

Lloyd's dominates the world's marine insurance business with a 20 per cent market share. This has enhanced its profitability. Marine syndicates, the units into which Lloyd's members are grouped, have shown a strong performance.

Aviation insurance seems to have been the worst performer within Lloyd's, according to estimates of the members' association.

The scandals emerging at Lloyd's in the last year have attracted the Inland Revenue's attention and money lodged as rollover funds have been flooding back into the market.

Rollover funds were established to help possible tax problems of underwriting members. To reduce taxable profit in one good underwriting account money has been set aside by underwriting agents out of syndicate profits in the form of reinsurance.

As a reinsurance contract the money has been paid to a related company with a contractual agreement that the money can be paid back to the syndicate at a future date.

In this way profits are smoothed between one underwriting account and the next without onerous tax burdens on the members.

Lloyd's will reveal its fullest information on its profits figures next week following extensive discussion with the Trade Department to bring its reporting method more in line with the rest of the British insurance industry.

Trade with Third World in danger, warns U.S.

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

THE U.S. Administration now fears that trade with developing countries—especially in Latin America—is being seriously endangered by shortages of finance due largely to unnecessary nervousness by international banks.

The "evaporation" of trade credit and finance "will deprive the wheel of international trade of essential lubrication and forestall economic adjustment and recovery," according to Mr Lionel Olmer, U.S. Under-Secretary of Commerce for International Trade.

The Commerce Department is afraid that the resulting sharp squeeze on debtor countries' imports will stimulate protectionism in the U.S., complicate bilateral trade negotiations and ultimately reduce the developing countries' ability to earn their way out of debt by cutting into the protective sectors of their economies.

With many baks seeking to minimise the growth of their exposure to finacially-troubled developing countries, most of the new funds available are being used to meet interest payments on old debts, Mr Olmer told me the American Bankers' Association international summer school in Washington.

This process left banks less willing to assume new risks or to advance funds in support of new trade deals.

The cut-off of trade credit to developing countries, particularly to the private sector, was "myopic at best, dangerous probably, and may undermine all the efforts that have been made to help these economies adjust," he said.

The banks were not, however, the only ones reluctant to take short-term risks on trade deals. Factoring companies, exporters and multi-national companies had reacted to the difficulties of the developing countries by "sharply reducing their exposure to the whole spectrum of risks involved in doing business with developing nations."

Ultimately, the solution lay in world economic recovery and renewed confidence by banks, exporters and multinational corporations, Mr Olmer said. Meanwhile, bankers and government export credit agencies could, and should, try to minimise the disruptive impact on trade of developing countries' financial problems.

Mr Olmer said that reports of growing problems in financing trade with developing countries were "accelerating in frequency." The U.S was particularly worried that trade with Latin America had been placed on a cash basis or was being done through letters of credit backed by collateral.

Because of documentation and handling delays, trade volumes were down even where all parties involved were creditworthy and had access to hard cash. Developing country customers unable to meet cash requirements were frequently being turned away.

The cut-offs most painfully affected private sector companies in developing countries which did not have the access to foreign exchange enjoyed by public sector companies. In the first six months of this year, for example Mexican private sector imports had dropped by 76 per cent while public sector imports fell by only 30 per cent.

The lack of trade finance had undoubtedly complicated attempts by Mexico and Brazil to adjust to their debt burdens and reorder their economies. By July of this year the imports of both Mexico and Brazil were far below even the sharp cuts expected as a result of International Monetary Fund and domestic austerity programmes, Mr Olmer said.

Mexican debt deal signed, Page 2

John Brown Engineering to axe 500

BY MARK MEREDITH, SCOTTISH CORRESPONDENT

JOHN BROWN Engineering is to axe 500 of the 1,750 at its Clydebank plant near Glasgow, because of a drop in demand for power equipment on world markets.

The cut at the gas turbine manufacturer, announced last night, follow this week's announcement that negotiations by the parent John Brown group to sell John Brown Engineering to Hawker Siddeley had broken down. But the two events do not appear to be directly connected.

John Brown said it foresaw a good future for the company with the slimmed-down workforce.

John Brown Engineering has been one of the most successful parts of the troubled John Brown group. But, like other gas turbine producers, it has been worried about its exported order book in the long term.

The gas turbine division's profits last year were only £1.3m on sales of £112m. The figures, published two weeks ago, compare with profits of £10.1m on a turnover of £80m five years ago.

The Scottish-based company is about half-way through a contract to produce 21 gas turbines for compressor stations along the Soviet Union's Siberian gas pipeline project. It has also a turnkey power station project underway in Oman.

The company's main business is in complete power generation units. It manufactures General Electric turbines as an associate of the U.S. company, importing the central rotor blades for the turbines directly from GE.

John Brown Engineering said that although there had been a notable slump in orders, they expected a rise in demand over the next year or two, especially in power generation. This view is not shared by other manufacturers, which predict some hard years ahead.

Hawker Siddeley and John Brown representatives briefed the Clydebank workforce on the possible takeover of the company on August 10 and stressed that there would have to be redundancies.

When the talks collapsed both companies would say only that an acceptable formula could not be found. John Brown said it would continue to look for a buyer for John Brown Engineering in the long run and would seek a company with other interests in power generation.

£ in New York

	Aug. 25	Previous
Spot	$1.4970-4980	$1.5150-5160
1 month	0.02-0.04pm	0.05-0.05pm
3 months	0.12-0.16pm	0.14-0.17pm
12 months	0.50-0.57pm	0.50-0.57pm

Strike over pit closure rejected

BY PHILIP BASSETT AND MARK MEREDITH

MINERS at Cardowan colliery, Scotland, yesterday voted decisively against strike action to prevent closure of the pit. The relatively muted response of miners' leaders in South Wales to the proposed shutdown of Brynlliw colliery was taken as an indication that miners there may follow suit.

Closure of the two mines in traditionally militant areas, if it happens, will be a further rebuff for Mr Arthur Scargill, president of the National Union of Mineworkers, in his campaign against closing uneconomic pits.

The crucial factor in both cases is the offer of alternative jobs. Sir Norman Siddall, the outgoing chairman of the National Coal Board, has been careful to avoid any compulsory redundancies in the industry.

His success—six pits have been closed since the start of this financial year—may tempt Mr Ian MacGregor to take a similar line after he takes over as chairman on Thursday.

Coal production at Cardowan, east of Glasgow, ended last night after the miners there voted, by 328 votes to 195 in a secret ballot, not to continue to fight against the closure. Salvage work will begin on Monday.

Mr James MacCafferty, NUM branch secretary at Cardowan, said that he was disgusted with the vote. The union has claimed that Cardowan had considerable reserves that could be developed. While accepting this, the Coal Board said that it would push up further the pit's costs of £90 per tonne.

After defeats over closures of the Kinneil colliery at Christmas, of Sorn and Highhouse mines in Ayrshire and the projected phasing out of Killoch colliery, the Cardowan vote is a severe setback to the Scottish area NUM.

Mr Mick McGahey, area president, said, however, that the union would open a new campaign next week against closures to tie in with Mr MacGregor's arrival, although the basis of this campaign will be posters rather than strike action.

Mr Emlyn Williams, South Wales area NUM president, acknowledged that the news of the Cardowan vote had influenced the area executive's discussions about action over the closure of Brynlliw.

Although the executive voted unanimously to adhere to its policy of opposition to all closures, except on grounds of exhaustion, the lack of confidence in the likelihood of industrial action after the Cardowan vote is reflected in its decision merely to invite the miners at the pit to vote for action when they meet next Wednesday.

Vauxhall workers call for ban on company's imports

BY BRIAN GROOM, LABOUR STAFF

WORKERS AT Vauxhall's Ellesmere Port, Merseyside, car factory, at mass meetings yesterday voted unanimously to campaign for a nation-wide union blockade on imports of Vauxhall/Opel vehicles from continental Europe. The vote was an attempt to force a big rise in the company's 5 per cent pay offer.

Disruption in protest at the offer continued yesterday with a strike by 2,400 members of the Amalgamated Union of Engineering Workers at Ellesmere Port and sporadic walkouts of up to an hour by several hundred workers at Luton, Beds.

The 1,800 members of the Transport and General Workers Union who went on strike at Ellesmere Port on Thursday when news of the offer leaked out returned to work. At a mass meeting, however, they called for the import ban. AUEW workers were reported to have backed this at their own meeting.

The support of dockers, lorry-drivers and other groups will be sought at a meeting with TGWU national leaders at the TUC Congress in Blackpool the week after next. In

Continued on Back Page

Britain takes to beer in plastic bottles

By Carla Rapoport and Maurice Samuleson

BRITAIN's beer drinkers have proved so keen to switch from the cans and traditional glass bottles to plastic bottles that brewers and bottlers can hardly keep up with demand.

"It has been the most successful packaging introduction in our business since the aluminium can," said Mr Graeme Falconer, managing director of Watney Mann's national sales division

The company estimates that the plastic bottle has already captured 6 per cent of the £700m-a-year take-home beer market since it was introduced nationally some 12 months ago.

Watney Mann projects a 10 per cent share by next year, while others are predicting even faster growth.

"There has been no consumer barrier to beer in plastic bottles, as we feared," Mr Falconer said.

The popularity of the new containers, and the boost given to demand generally by the warm weather, has meant that supplies of beer in plastic bottles have been rationed in many parts of the country.

Metal Box, the main supplier of the bottles, has put on extra shifts to increase supplies, while Davenport Brewery, which puts the beer into the bottles for most of the brewers, is working 24 hours a day, seven days a week.

Investments totalling more than £15m have been announced or are planned by both the bottles' producers and the brewers. Projects include:

● A £5m plant at Wilton, Cleveland, for the production of polyethylene terephthalate (PET) by Imperial Chemical Industries. The company is expected to announce the construction of another plant costing a similar sum by the end of the year.

● Metal Box, Britain's largest packaging group, is building a second PET bottle plant in Wrexham, North Wales, at a cost of £2m. When completed, the number of its employees engaged in PET bottle manufacture will rise from 100 to 200.

● BXL Plastics, the British Petroleum subsidiary, is to spend £1.5m on a PET bottle

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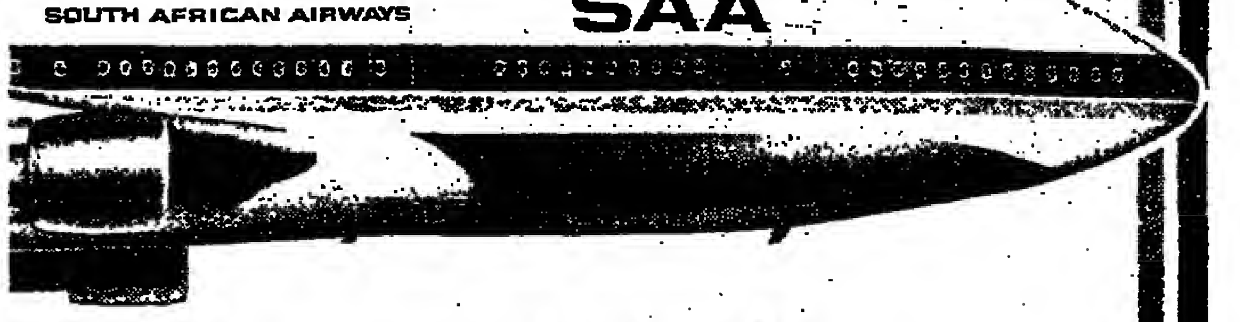

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

Acsis Jewellery	15	+ 5
Copydex	105	+ 6
Fleet Hldgs	117	+ 5
GKN	184	+ 6
Highgate and Job	70	+ 15
ICI	534	+ 10
Inter-City Inv	69	+ 5
LCP Hldgs	95	+ 4
Ladbroke	287	+ 6
Laing (J.)	156	+ 10
Milletts Leisure	150	+ 26
Munton Bros	47	+ 4
Polly Peck	£24¼	+ 1½
Sunbeam Wolsey	33	+ 3
Tesco	153	+ 5
Unigate	105	+ 6
Waddington (J.)	270	+ 9
Whessoe	124	+ 6
Aran Energy	49	+ 7
Atlantic Res	340	+ 15
Britoil	254	+ 10
Eglinton Oil & Gas	200	+ 20
Sun (UK) Royalty	280	+ 20
EZ Inds	302	+ 14
Gid Mns Kalgoorlie	705	+ 15
Lydenburg Plat	633	+ 51
Peko-Wallsend	462	+ 11

FALLS

Bowater	215	− 7
Greenwich Cable	40	− 5
GRE	525	− 9
Ropner A	92	− 8
[illegible]	225	− 45
Wagon Finance	45	− 8

CONTENTS

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Kohl stands by Nato nuclear missiles policy

BY JONATHAN CARR IN BONN

THE West German Chancellor, Herr Helmut Kohl, yesterday stressed that he remains fully behind Nato's nuclear missiles policy and will not be budged by hostile demonstrations likely this autumn.

"Policy is not made on the streets of the Federal Republic," Herr Kohl told a Press conference here—his first since returning from holiday.

The Chancellor briskly rejected any suggestion that Bonn might be having second thoughts as the end-of-year deadline for deployment of new U.S. missiles draws near.

He said he had recently received letters from President Ronald Reagan and Mr Yuri Andropov, the Soviet leader. The letters had confirmed his view that there was still a chance at least for an interim solution in the superpower talks on intermediate-range nuclear missiles in Geneva.

He left no doubt that failing a Soviet-U.S. accord, West Germany would accept deployment of new missiles as scheduled in Nato's "twin track" (arm and negotiate) decision of 1979.

Herr Kohl's statement of support for Nato's nuclear strategy is far from new, but his public reassurances are bound to be welcomed by the U.S. in particular.

During the summer, Herr Kohl and Herr Hans-Dietrich Genscher, his Foreign Minister, made remarks raising fears in Washington that the Germans might be less ready to accept deployment of Pershing-2 missiles.

Under the Nato decision, West Germany is the only country due to receive these weapons. If Bonn weakened, then other European countries which have agreed to accept cruise missiles might change their minds.

Yesterday, Herr Kohl underlined that if it came to deployment, then there would have to be a "weapons mix." In other words, Pershing-2s would be installed as well as cruise missiles.

He also rejected as "senseless" the Greek Government's suggestion that deployment be delayed for six months to give the superpowers more time to reach accord. Only under pressure of time was a Geneva result likely, Herr Kohl declared.

Asked about a recent opinion poll indicating that some 75 per cent of West Germans are against new missiles deployment, Herr Kohl said his Christian Democrat Party has already claimed that the result was not balanced.

Government officials yesterday confirmed a front-page story in the Frankfurter Allgemeine Zeitung that the Soviet Union had tested a "killer satellite" last year—far out in space but roughly above the Bavarian capital of Munich.

During the test, only partly successful, the Russians sent up a satellite weapon to try to destroy a target already circling the earth. According to the officials this is one of many such tests carried out by Moscow over the past few years.

Assets of Italian bank officials seized

By Rupert Cornwell in Rome

MILAN magistrates investigating the collapse last year of Sig Roberto Calvi's Banco Ambrosiano have confirmed they have ordered the cautionary confiscation of the Italian assets of some of those closely connected with the affair.

The news comes shortly after the seizure of a controlling interest of 50.2 per cent in the Rizzoli publishing house held by its former chairman Sig Angelo Rizzoli and Sig Bruno Tassan Din, until last February its managing director. Rizzoli was heavily indebted to Ambrosiano, and its affairs were deeply entangled with those of the failed bank.

Exactly who has been affected by the latest measure, which magistrates say is normal procedure in a bankruptcy case, was not entirely clear yesterday.

But according to most reports here those involved are board members of the old Ambrosiano, as well as senior officials on its foreign side who had been closely concerned with the $1.3bn (£855m) of loans granted by Latin American subsidiaries of Ambrosiano, which led directly to its downfall.

It is understood that two senior officials of the Istituto per le Opere di Religione (IOR), the Vatican Bank, have been subjected to the order. They are Sig Luigi Mennini, the IOR's managing director, and Sig Pellegrino de Stroebel, its chief accountant.

When Ambrosiano collapsed in the summer of 1982, IOR held a declared interest of 1.6 per cent in the bank. But it had also issued, a year earlier, letters of patronage to Sig Calvi in which it admitted titular ownership of the Panamanian and Luxembourg companies which had borrowed more than $1bn from the Ambrosiano group.

These borrowings were principally secured by shares in Banco Ambrosiano, equal to over 10 per cent of its capital.

Moves under way to set up Reagan's re-election campaign

BY REGINALD DALE, U.S. EDITOR, IN WASHINGTON

Reagan . . . tacit blessing

PRESIDENT Ronald Reagan's undeclared campaign for a second term in the White House is moving steadily forward, even though he has not yet formally stated that he will run again in 1984.

Mr Reagan's political advisers are proceeding with plans to set up a presidential re-election committee this autumn, apparently with Mr Reagan's tacit blessing.

The fact that Mr Reagan has raised no objection to the committee's formation is regarded by some White House officials as the most significant indication yet that he will go for a second term, as virtually everyone in Washington expects.

There is still some doubt, however, about the timing of the committee's official establishment. Mr Reagan is believed to be unwilling to give his formal approval until after he returns from his two-week tour of Asia in mid-November. He wants to go to Asia as a statesman, not a candidate for office.

This means that the committee's formation would have to be delayed until some time in November, as Mr Reagan has only 15 days after its establishment to give it his formal blessing if he wants to qualify for matching federal funds for his campaign.

Many of Mr Reagan's aides, however, believe that he will not officially declare his candidacy until December. As soon as he does so, his actions will start being interpreted as solely those of an office-seeker and he risks losing the bi-partisan consensus he has been seeking on a wide range of domestic and foreign issues.

For many weeks already, Mr Reagan has been behaving as if he is runing, and all his advisers are assuming that he will do so.

"The decision has basically been made," said one White House official—a view echoed yesterday by Mr Lyn Nofziger, architect of Mr Reagan's successful 1980 campaign and a prime mover in the unofficial drive for his re-election.

The re-election committee is expected to be run by Mr Edward Rollins, the White House political affairs director, with Mr Reagan's close friend, Senator Paul Laxalt, acting as overall campaign co-ordinator.

Mr Reagan has been widely reported to have been reflecting on campaign tactics and the timing of his announcement, during his holiday at his California mountain-top ranch this month.

New bid to end fighting in Chad

By Our Foreign Staff

TALKS AIMED at ending the Chad conflict got under way in N'Djamena yesterday between M. Charles Hernu, the French Minister of Defence, and President Hissene Habré.

They follow tentative settlement proposals, based on a federation between the Government-controlled south of Chad and the rebel-occupied north, and put forward by President François Mitterrand of France in an interview with the Paris daily, Le Monde, on Thursday.

President Habré has in the past rejected a federal solution and is unlikely to have been any more receptive to the proposal in his hour-long meeting with M. Hernu, who is due to return to Paris today.

Instead, the president is thought to have renewed his request for a more vigorous French role in the conflict which would allow him to attempt the recapture of the important rebel-held town of Faya-Largeau in the north.

France, which has dispatched at least 1,500 troops to Chad, has insisted that it will do no more than hold the line along the 15th parallel which roughly demarcates government and rebel territory.

President Mitterrand made it clear that his forces would retaliate should the Libyan-backed rebels attempt to break through.

UN chief attacks Pretoria line on Namibia

Sr Perez de Cuellar

THE United Nations secretary general, Mr Javier Perez de Cuellar, yesterday expressed his opposition to South Africa's insistence that the withdrawal of Cuban troops in Angola should be linked to negotiations for the independence of Namibia (South-West Africa).

Mr Perez de Cuellar, speaking at a press conference in the Namibian capital of Windhoek shortly before flying to Angola, said: "I hate the idea of linking the two things." It would be unfair, he continued, to subordinate Namibia's independence to the situation in Angola.

What has become known as the "linkage" issue is regarded as the major stumbling block in efforts to find a settlement.

After two days of talks with Mr Perez de Cuellar in Cape Town earlier this week, Mr Pik Botha, the South African Foreign Minister, described the Cuban presence as "the decisive, major, main obstacle" to progress.

The secretary general told reporters that linkage was not within his mandate. "If I address this problem it will be in an entirely different contact, not the context of Resolution 435," he said.

South Africa and the guerrilla organisation fighting in Namibia, the South-West Africa People's Organisation, have accepted most of the provisions in the settlement plan itself, set out in UN resolution 435. But there is no indication that any progress has been made towards resolving the Cuban issue.

Last night Mr Perez de Cuellar arrived in the Angolan capital, Luanda, for alks wih President Eduardo dos Santos and Mr Sam Nujoma, the Swapo leader.

The secretary-general has spent his time in Windhoek holding a series of 15 minute meetings with most of the internal Namibian parties. The largest of the parties, however, the Democratic Turnhalle Alliance led by Mr Dirk Mudge, refused to attend.

During the day a South African military spokesman in Windhoek said that security forces had killed 7,894 Swapo guerrillas since the war began in 1966.

Japan outlines response to enemy vessels

BY CHARLES SMITH, FAR EAST EDITOR IN TOKYO

JAPAN WOULD attack enemy vessels within 1,000 nautical miles of its islands even if no direct attack were being made on Japanese ships, according to the country's 1983 Defence White Paper.

The White Paper, released yesterday, spells out in unprecedented detail what the Defence Agency understands by the defence of sea-lanes. It suggests three situations within which the Marine Self-Defence Force, Japan's navy, might take the initiative:

- If U.S. ships came under attack and it was thought that repulsion of the attack was essential to Japan's security.
- If ships belonging to third countries, but carrying "vital" cargoes to Japan, were attacked.
- To intercept ships in straits belonging to countries that were already attacking Japan.

The White Paper says that the ability to patrol Japan's sea-lanes up to a distance of 1,000 nautical miles from the country's coasts is one of three basic capabilities needed by the defence forces (the other two are air defence capability and capability to cope with an invasion by land and sea).

The document denies that Japan would be engaging in collective defence if its ships came to the assistance of U.S. naval vessels in the vicinity of Japan. It reiterates the belief that Japan's post-war peace constitution debars the nation from taking part in "true" collective defence arrangements.

Apart from its revealing paragraphs on sea-lane defence the 1983 White Paper for the first time gives a detailed breakdown of Japan's military forces, in some cases pinpointing apparently serious weaknesses. It also lists recent occasions on which Japan's military forces have held joint exercises with the U.S.

Another new feature of this year's White Paper is a table which shows how Japan's defence spending compares with that of 19 other major nations. Japan ranks eighth on the list in terms of total spending but last but one in per capita terms. Defence spending in 1981 totalled Y2,400bn (£6.55bn) or roughly Y20,000 per head.

This year's expended and more explicit White Paper clearly reflects the wish of Mr Nakasone, the Prime Minister, to increase defence awareness among the Japanese public. The White Paper gives chapter and verse on what the government obviously regards as worrying increases during the past year in Soviet naval and air activity around Japan. It refers to the presence of 108 Soviet SS-20 missiles in Eastern Siberia as a direct threat to Japan's security.

Uruguay parties step up protests

By Jimmy Burns in Montevideo

URUGUAY'S opposition groups yesterday threatened to step up their campaign for an early return to democratic rule following the success of their first co-ordinated "day of protest" in 10 years of military rule.

"This is only the beginning. We shall go on until the regime gives up," said an official of one of the country's major political groupings, the outlawed Blanco Party, whose leader Wilson Ferreira, is exiled in Europe.

Other party militants meanwhile were planning further days of protest over the next few weeks, culminating in a general strike in November.

On Thursday, the bulk of Montevideo's 1.5m population boycotted official Independence Day celebrations by staying off the streets in what human rights and political groups had announced as a "Day of National Recollection."

In the evening, the majority of private houses switched their lights off for a quarter of an hour and people throughout the city banged empty cooking pots in protest at the government's economic policies.

In an attempt to avoid a major confrontation, the authorities did not intervene until later in the day when the banned left-wing coalition Frente Amplio staged a demonstration.

Security police detained the Buenos Aires correspondent of the Financial Times and an U.S. radio reporter in a street close to the demonstration. Both men were released after being roughly manhandled.

Mexico signs $11.4bn rescheduling package

BY WILLIAM HALL IN NEW YORK

MEXICO'S Finance Minister, Sr Jesus Silva-Herzog, yesterday signed a rescheduling agreement covering $11.4bn (£7.5bn) of government debt. This is the major part of the biggest rescheduling package to be put together for any debtor country.

The signing comes one year and six days after Mexico and its bankers held an historic meeting at the New York Federal Reserve Bank which marked the beginning of the current international debt crisis.

Bankers yesterday hailed the signing as evidence of the success of their efforts to prevent heavily indebted Latin American countries from defaulting on their $300bn debt.

Sr Silva-Herzog, who praised the banks yesterday for their support, said the meeting at the New York Fed on August 20 last year had shaken the foundations of the world financial system.

Mexico had experienced a flight of domestic capital overseas — in the midst of a changeover of administrations—and this had drained the country's reserves and demonstrated the unsustainable position of Mexico's payments.

After the first shock, Mexico took several painful measures to put its house in order and Sr Silva-Herzog said yesterday the results were now showing.

International confidence in his economy was rapidly improving. The country's current account balance was positive "for the first time in modern times" and the public sector deficit had been cut drastically.

The country expects to have another year of negative growth in 1983 but Sr Silva-Herzog stressed that while the measures taken had been painful they were necessary.

The loan signing, which was attended by representatives of the IMF, the Bank of England, the Federal Reserve Bank of New York as well as commercial bankers, is regarded as a significent step forward for Mexico in its road to economic recovery.

Several bankers present at the meeting compared the success of Mexico's efforts to reschedule its debts with the slow progress of Brazil which is facing mounting financial difficulties.

Privately one very senior banker, privy to both countries' financial discussions with the banks, said Mexico had been successful because it had identified the problem and taken firm action at a much earlier stage.

By contrast, Brazil had stressed for several months that there was no problem and had been reluctant to take the appropriate measures to put its house in order. This was why it was suffering the financial difficulties currently, he said.

Jumblatt flies to see U.S. envoy

By Patrick Cockburn

THE LEADER of Lebanon's left opposition, Mr Walid Jumblatt, left Damascus yesterday for a surprise meeting in Paris with President Reagan's special Middle East envoy, Mr Robert McFarlane.

Mr McFarlane is seeking to negotiate the peaceful takeover by the Lebanese army of the Shouf mountain area south-east of Beirut. The area, which is largely controlled by Mr Jumblatt's followers, is currently policed by Israeli troops who are soon to withdraw to the Awali River north of Sidon.

Soon after Mr Jumblatt left for Paris, his two main allies in the Syrian-backed opposition to the Lebanese Government issued a statement calling for a conference with President Amin Gemayel to discuss national reconciliation.

Supporters of Mr Jumblatt, who is leader of the powerful Druze sect, said in Damascus yesterday that he would not allow the Lebanese army to enter the Shouf unless agreement was reached between him and President Gemayel.

The Druze leader considers the Lebanese army biased towards the Christians.

In skirmishing with Christian militiamen and regular army units over the past month, the Druze militia have used heavy artillery supplied by Syria and have closed Beirut airport on a number of occasions.

The ability of the government to send its troops into the Shouf is seen as a key test of Mr Gemayel's authority. In a television address on Thursday night, Mr Gemayel called for people in the Shouf not to fire on troops when they entered the area.

Wafd party opposed

THE EGYPTIAN Government has placed a major obstacle in the way of the return to political life of the new Wafd party which could become the focus of moderate opposition there.

A committee of the Egyptian parliament, wholly dominated by the Government, has ruled on a technicality that the Wafd party—the main exponent of Egyptian nationalism before World War II—had dissolved itself in 1978 when the late President Anwar Sadat banned its leaders from political activity.

If the party cannot now obtain a licence to operate, it will be forced to re-apply, thus giving it little time to prepare for the general elections in April.

Cairo increases prices of heavier crude oils

BY RICHARD JOHNS

EGYPT yesterday raised the prices for its heavier crude oils for the fourth time since April in response to the continued strength of the market.

The Egyptian General Petroleum Corporation announced that the rates for Suez Blend (which has a specific gravity of 33 degree API gravity), had been increased from September 1 by 25 cents to $28.50 per barrel for Belayim (26 degrees) by 50 cents to $26.75, and for Ras Gharib (21 degrees) by $1 to $24.50.

Egypt, like the Soviet Union, adjusts its prices fairly frequently according to market conditions and demand. The latest change means its Suez Blend will be priced next month at $1.25 more than the level set at the beginning of March.

Its move follows similar action taken a month ago by Iran, Venezuela, and Mexico for their heavier crudes as result of the improvement in prices for heavy fuel oil during the summer.

Generally, prices are holding steady. On the spot market Iran Heavy was being traded this week at about one dollar a barrel above its $27.10 official selling rate. Yesterday Arabian Heavy was at $26.70 compared with an official price of $26.

Egypt extends deadline for nuclear plant tender

EGYPT yesterday announced a two-month extension of the deadline for tenders for its first nuclear power project, following reluctance by the U.S. Export-Import Bank to grant credit to two of the U.S. companies making bids.

An official notice in the Cairo Press said the closing date for tenders for construction of a nuclear plant at Al Dabaa, 125 miles west of Alexandria, had been put back from September 26 to November 26.

Egyptian officials said the postponement was made at the request of the nine companies competing to build the 1,000-megawatt facility, estimated to cost $2bn (£1.3bn).

A report in the U.S. magazine Business Week said the Exim Bank had declined $550m in credits for Westinghouse Electric Corporation and Combustion Engineering, two of the five U.S. companies making bids.

The magazine said the bank ruled that Egypt was a bad credit risk because of its growing foreign debt, declining oil revenue and heavy energy subsidies. Egypt's foreign debt stood at about $16bn earlier this year.

Egyptian officials declined immediate comment.

Chile considers lifting state of emergency

BY MARY HELEN SPOONER IN SANTIAGO

GEN AUGUSTO PINOCHET'S regime is considering lifting the state of emergency legislation in effect in Chile since 1978 and easing other restrictions on political activity and civil liberties.

The move follows a meeting between Sr Sergio Jarpa, Interior Minister, and five leaders of the Democratic Alliance, a coalition of opposition groups.

The Democratic Alliance has demanded an end to the special powers given the president by Chile's three-year-old constitution, new legislation permitting elections and political parties, the return of all Chilean exiles, freedom of information and assembly, and an investigation into alleged abuses by Chilean security forces during the August 11 day of protest when 24 died.

The opposition has also called for Gen Pinochet's removal—a demand Sr Jarpa has termed "unrealistic."

Opposition believes Zia may soon begin talks

BY JOHN ELLIOTT RECENTLY IN KARACHI

LEADERS OF the political demonstrations in Pakistan believe that the Government of General Zia ul-Haq may soon start private talks with four of their senior leaders in an attempt to bridge the gulf between the martial-law régime and the country's outlawed political parties.

At the same time the credibility of the country's Movement for the Restoration of Democracy (MRD) which has organised the demonstrations, is facing a crucial test.

If the MRD does not show by the end of the weekend that it can sustain the two weeks of demonstrations and violence throughout the southern province of Sind, the Government will be able to claim justifiably for the first time that the immediate crisis is over.

There was little trouble in Karachi, capital of the Sind, yesterday but marches and demonstrations broke out in some other areas.

Cabinet ministers and officials of the Sind State Government are planning a visit to Sukkur, a centre of violence in the north, to decide whether to order tougher police activity next week.

Political tensions have been heightened by the Indian government — which has an uneasy relationship with Pakistan—pledging its support for the MRD.

The Government yesterday voiced support, in principle, for the MRD. The External Affairs Minister, Mr P. V. Narasimha Rao, in the Lower House of Parliament, and the Finance Minister, Mr P. K. Mukherjee, in the Upper House, made identical statements setting out the Government's stand.

They said: "The Government has been watching with uneasiness and distress the recent happenings in Pakistan and the sufferings of the people who have been demanding restoration of democracy in that country. As a nation, we are committed to democracy."

This is the second time in less than a month that it has involved itself controversially in the problems of a neighbouring country. For the past three weeks it has been trying to help the Tamil minority group in Sri Lanka.

The four leaders have been transferred from individual houses in Karachi where they have been under house arrest to a guest house outside the city.

Although the government yesterday denied that any talks were planned, it is assumed here that President Zia's representatives are anxious to talk to the two most prominent leaders of rival factions within the Peoples Party of Pakistan, Mr Mumtaz Bhutto, and Mr G. M. Jatoi.

With three other leading personalities, they dominate the Sind province, owning more than half the land and claiming the loyalty of as much as 80 per cent of the rural population.

They are all active in the PPP, the political party most feared by President Zia because he ousted the former late President Bhutto of the PPP from power in 1977.

President Zia said two weeks ago that the PPP would not be allowed to take part in elections he planned during the next 18 months.

The disturbances of the past fortnight have all taken place in areas controlled by the landowners, reflecting frustrations at their decreasing political power under the Zia régime, and also unrest among their employees and followers about general conditions in the Sind.

Towns and villages affected stretch for about 200 miles up the river Indus from the city of Hyderabad, northeast of Karachi, along a rich agricultural belt that contrasts sharply with the other desert areas in the Sind.

While the demonstrations in Karachi have subsided during the past few days, into isolated street fighting between police and demonstrators with little sense of overall direction, the rural population kept its activity going throughout most of the past week.

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Rift in Liberal Party deepens

By Margaret Van Hattem, Political Correspondent

THE Liberal Party yesterday became further embroiled in bitter accusations and recriminations as more details emerged of leader Mr David Steel's letter to fellow MPs.

Those identified as targets of Mr Steel's attack—including Mr Cyril Smith, MP, Mr Tony Greaves, organisation secretary of the Association of Liberal Councillors and leaders of the National League of Young Liberals—angrily rejected the criticisms and in turn accused Mr Steel of rocking the boat.

Meanwhile Mr Steel's supporters—including Mr Alan Beith, the acting leader, Mr Archie Kirkwood, MP, and Mr Richard Holme, a former Liberal Party president—were left to express their outrage that the contents of the letter should have been made public.

Mr Steel has said he will not make a public statement until just before the Liberal assembly in Harrogate next month and was not available for comment yesterday. However, he spoke to his personal assistant Mr Stuart Mole who later issued a statement saying that Mr Steel was "dismayed" that the letter should have been leaked.

The statement said: "It gives an over-dramatised view of relatively-minor matters which Mr Steel felt ought to be discussed and put right. The leaking of selective paragraphs does a disservice not merely to him but also to those who would have joined in that discussion."

Many Liberal MPs support and sympathise with Mr Steel's attempts to renegotiate his relationship with the party—in particular his insistence that he cannot effectively lead a party which is content to "potter on the sidelines" rather than fight for political power.

In the letter to his 16 fellow Liberal MPs, Mr Steel is understood to have criticised Mr Smith and Mr David Alton MP for refusing to take up front bench positions.

He also referred to the "disgraceful" action of Liberal councillors during the election in circulating to Liberal candidates pamphlets highlighting the differences between Liberal and SDP defence policy. Mr Steel spoke of "sabotage" of the Alliance, and asked whether Mr Greaves had yet been sacked.

Replying on BBC radio yesterday Mr Greaves rejected Mr Steel's accusations as "nonsense" and damaging to the party.

Specialist car repairers challenge traditional garages

BY LORNE BARLING

GARAGES which will take on any motor repair job face a growing challenge from specialist drive-in centres handling only a few aspects of service or maintenance.

At least four of the main specialists—Kwik Fit Euro, QH Standard, Lucas, and Auto Safety Centres—have taken a substantial part of the market and are preparing further expansion.

They claim several advantages over conventional garages:

- Motorists will usually be told in advance and accurately the cost of work needed on their car.
- The job can often be done while the driver waits.
- Dealing direct with a mechanic or fitter tends to create confidence about the quality of workmanship.

Kwik Fit Euro is the largest specialist, concentrating on exhausts, tyres, batteries, and shock absorbers. It has more than 235 outlets which last year produced £44m turnover compared with £33m in 1981.

Mr Tom Farmer, founder and chief executive, says he aims to have about 500 centres in two or three years.

The company has also broadened its range. It recently opened seven Stop 'n' Steer stations specialising in steering, brakes and suspension work. This chain will grow to 150 outlets in the same period, Mr Farmer says.

He is cautious about expansion abroad. He has 30 centres in France and the Netherlands but European motorists have been relatively slow to follow the British trend to using specialist centres.

QH Standard, a subsidiary of the Quinton Hazell group, is more optimistic about Europe. Turning over £20m a year in its 110 UK branches, it recently approved investment of about £250,000 for eight more centres at home and £1m to move on to the continent.

Mr Ian Ritchie, chief executive says that with the interval on services of some cars stretched to 12,000 miles many motorists visit a conventional garage only once a year.

However, demand is increasing for specialist services and this leads to greater competition. Suitable sites for new outlets are scarce and local independent operators—many redundant mechanics—are moving into the market.

Turnover has fallen. Mr Ritchie says QH responded by reducing staff and improving productivity through training and bonus schemes.

The increased life of radial tyres has had an effect, and the company has invested in tyre remoulding to take a greater share of this market which accounts for about 20 per cent of tyres sold in the UK.

Lucas Autocentres, which started offering services on brakes, steering, engine tuning and clutches in 1980, now has 21 outlets. It plans to open a further 29 over the next two years, according to Mr Chris Edwards, products manager. Turnover, estimated at £2.3m this year, is expected to increase 50 per cent in 1984.

Mr Peter Paul, general manager of Auto Safety Centres, an Automotive Products subsidiary, has less ambitious plans than the other companies. With 41 sites offering most services except tyre replacement, his company expects to add only four more centres this year.

Mr Paul believes there is a danger of over-specialisation. He says his company's more broadly-based services are about right for the UK.

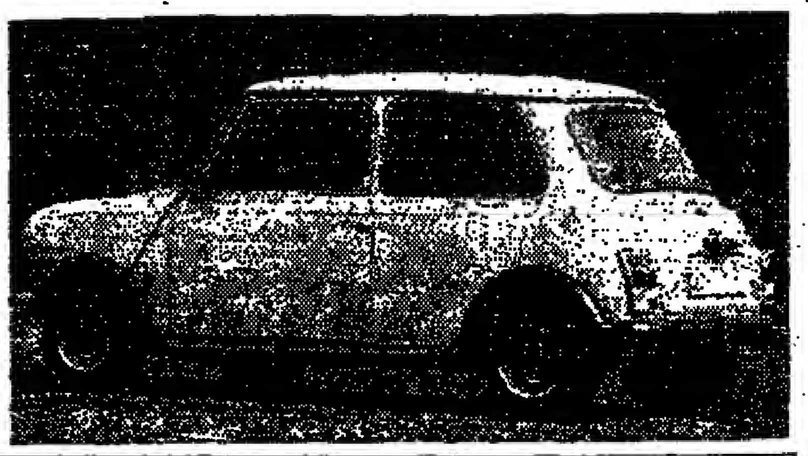
This view may provide a little comfort for the traditional garage owners but there is none from the huge investments undertaken and planned by his more ambitious colleagues.

Austin Rover's Mini had its 24th birthday yesterday. In spite of rumours since the late 1970s that it was to be axed, it will stay in production for the foreseeable future.

Plans are being laid for a special, limited edition to celebrate next year's silver jubilee of a car which has been offered in many varieties since its 1959 launch at £496.95.

By next August, Austin Rover will be close to producing the five millionth Mini, which holds the record for the largest production run of any British-built car. More than 4.9m have been produced, both in the UK and at sites overseas such as in South Africa and Australia, where it is still assembled from kits.

UK sales at 17,500 so far this year are running 2,500 ahead of 1982. It found 18,000 buyers on the Continent last year, and is the only BL model to sell in noticeable numbers in Japan—about 1,500.



Managers buy Lake & Elliot foundry

BY MARK MEREDITH, SCOTTISH CORRESPONDENT

A MANAGEMENT team has bought out the loss-making National Steel Foundry in Fife, Scotland, and plans to resume production with a smaller workforce. Lake & Elliot, the foundry group, announced the closure last Friday with the loss of 294 jobs.

Mr Peter Hughes, the former managing director at the plant at Leven, and four other managers have assembled a package thought to be worth about £450,000 to buy the plant and equipment from Lake & Elliot. The new company hopes to resume production shortly and employ as many as 180 workers, Mr Hughes said last night.

The foundry closed because this part of the steel industry is in deep recession and suffering continuing overcapacity — estimated to be as much as 30 per cent.

Mr Tom Bailey, managing director at Lake & Elliot, said from the company's headquarters in Braintree, Essex, that the handover would take place on Monday.

The financial package for the buyout is understood to involve the Bank of Scotland, Fife Regional Council and the Scottish Development Agency.

Mr Hughes said last night he hoped the foundry would be able to survive, despite the state of the industry, through a slimmed down operation, low overheads and a readiness to compete for orders.

He also hoped to introduce technological improvements to further increase efficiency. Savings will come from management overheads as well as company pension schemes.

Some customers had welcomed Mr Hughes' decision and he hoped to take on some business held by National Steel Foundry.

Lake & Elliot was one of three foundry groups which opted to stay open under a self-help scheme organised by Lazard Brothers merchant bank. The other two groups, Weirs and North British Steel, are both in Scotland.

Oil industry to lobby for more overseas markets

BY RAY DAFTER, ENERGY EDITOR

BRITISH OIL companies and energy equipment suppliers will be making attempts to obtain a greater share of the world's oil market during the next few days.

They will be taking advantage of the arrival in London of 3,000 delegates for the World Petroleum Congress, the industry's leading conference. Energy minister and oil and gas specialists from China and the Soviet Union will be among the 80 international delegations.

Although the congress will be concerned mostly with technical aspects of exploration, production and petroleum processing, the fringe social functions will provide the strong UK representation with an opportunity to seek more overseas work.

The world oil industry has been dominated by U.S. technology but, with exploration moving increasingly into offshore areas, UK companies associated with North Sea development see growing export opportunities.

The main theme of the conference, to be held at the Barbican Centre, will be the development of oil resources into the next century with particular emphasis on offshore production technology.

In a message to delegates, the Queen has said: "I hope that your wek of scientific discussion will help towards improved methods of discovery, production and use of the world's oil and gas resources."

The congress will be opened tomorrow by Prince Charles. To coincide with the event, a new permanent exhibition on petroleum is to open to the public at the Science Museum, London, next Friday, the last day of the conference.

London Co-op to close another 22 food shops

BY LISA WOOD

THE London Co-operative is to close 22 of its 150-plus food shops in the London area with the loss of 275 jobs, although 93 people have been offered other work.

Some 100 Co-op food shops in the London area have been closed since the London Co-operative, now called the London Region of Co-operative Retail Service (CRS) was taken over by Manchester-based CRS in 1981.

The Co-operative Union, the organising body for Co-operative retail societies, said: "It is not a new programme of closures, rather part of the way CRS is changing its trading profile with a concentration into more viable shops. The new closures are part of a process which has been going on since the London society went into CRS."

CRS, the biggest single organisation on the retailing side of the co-operative movement, plunged into losses in 1982 as a result of the take-over of the loss-making London society. The take-over, however, increased its turnover by about one-third to about £848m in the year ending January 1983.

The London Region CRS said: "The object is to close units that are small, raise the cash and invest in new projects. The only problem we have in London is that what we are doing should have been done 10 years ago."

It said that one of the two shops to be closed, which include a supermarket at Loughton, Essex, were large by London Co-operative standards but were small in general retailing terms.

Fisher may close valve plants

By Peter Bruce

FISHER CONTROLS, the UK arm of Monsanto's process plant control valve and instrumentation subsidiary, confirmed yesterday that it was considering closing its two control valve factories in the UK to concentrate production in one plant.

The company said that it expected to announce the location of its new facility next month. Not all 650 jobs at the threatened plants at Cowdenbeath, Fife and Rochester, Kent, would be lost in the move.

Earlier this year GEC sold its one-third stake in Fisher Controls International to Monsanto for $178m (£119m) to give the U.S. chemicals giant complete control.

It seems likely that Fisher will decide to move its UK valve operation to the south of England. Its process instrumentation division has works in London, Croydon, Surrey, and Burgess Hill, Sussex.

An official said that a study made by the company had recommended rationalising the spread of valve production.

Extradition for Irish banker

Financial Times Reporter

MR JOHN McCAFFERY, the Irish banker wanted in America for being allegedly associated with a $9bn (£6bn) scheme involving the false guarantee of loans in exchange for huge fees, had an extradition order granted against him by Bow Street magistrates court in London yesterday.

Mr McCaffery, aged 44, has 15 days to appeal before his removal to Georgia is approved by the Secretary of State. He faces 10 charges in the U.S. alleging theft, obtaining money by deception and procuring valuable securities by deception.

The charges concern sums totalling more than $50,000 but the alleged fraud involves something like $9bn, said Mr Clive Nicholls, QC, prosecuting.

Mr McCaffery, of Salthill House, Mount Charles, Co Donegal, former president of the London Irish Bank, allegedly used the bank's name to guarantee loans without the knowledge or consent of the owners.

Mr McCaffery, who was on bail until the hearing, was taken into custody pending an application for bail.

Economic Diary

TOMORROW: United Nations-backed conference on Palestine opens in Geneva (until September 7).

MONDAY: U.S. trade figures for July.

TUESDAY: Department of Transport issues figures for new vehicle registration in July. CBI monthly trends inquiry for August. Miners' leaders meet National Coal Board over planned closure of Lynemouth colliery. EEC Council of Foreign and Finance Ministers meet in Brussels to discuss future agriculture policy.

WEDNESDAY: Expiry of Brazil's $400m credit from Bank for International Settlements. Third anniversary of the formation of Solidarity. Association of Chief Police Officers autumn conference in Preston (until September 2).

THURSDAY: CSO publishes Pink Book with UK balance of payments for 1983. EEC Commission to report on banning imports of seal pup skins. Mr Ian MacGregor takes over as National Coal Board chairman.

FRIDAY: UK official reserves for August. Department of Industry gives figures for final car and commercial vehicle production in July and company liquidity survey for the second quarter. Department of Employment issues provisional August figures for unemployment and unfilled vacancies. Department of the Environment publishes statistics for housing starts and completions in July and house renovations in the second quarter. Capital issues and redemptions (during the month of August) from the Bank of England. Meeting of the Contadora group in Panama.

Trading stamp plan agreed

BY JAMES McDONALD

TRADING stamps issued to motorists can be set against the cost of holidays or travel booked through the high street offices of more than 1,500 members of the Association of British Travel Agents.

Holiday Stamps, a Milton Keynes company formed last year by Mr David Price, has finalised its first contract with Anglo Petroleum. This is a British independent company which operates 600 garages, mainly in rural areas.

Initially the stamps will be issued to customers buying petrol and other services at Anglo Petroleum's 400 rural garages in Wales, the West Country (Cornwall, Devon and Somerset), Avon, Hereford and Worcester.

Package tour companies, including Thomas Cook, Thomson, Horizon, Intasun and Olympic, together with Townsend Thoresen, the ferry operator, are accepting the stamps.

Each gallon of petrol bought will give the customer a stamp worth 1p. Eight-hundred stamps, filling a booklet and worth £8, can be used towards holiday or travel costs.

Mr Price said in London yesterday that the difference between his scheme and previous ones such as Green Shield were that the franchise would be offered to non-competing retailers in geographical areas. In effect only Anglo Petroleum will offer the stamps as a petrol retailer in the west, south-west and Wales.

Heffer warning against 'press conspiracy'

By Margaret van Hattem

MR ERIC HEFFER yesterday urged Labour Party members to resist a McCarthyite press conspiracy to undermine the party at shop-floor level.

Mr Heffer, MP for Liverpool Walton and a contender for the Labour leadership, accused certain newspapers and employer organisations in engineering and other industries of orchestrating a campaign of intimidation against workers who became shop-stewards and trade union representatives.

In an open-letter to all party members he referred to British Leyland management's recent action against "so-called left-wing moles."

Blacklisting workers active in union affairs or who held left-wing political views was increasing while high unemployment levels were being deliberately used to destroy shop-floor organisation.

A dangerous situation was developing, similar to witch-hunts encouraged by Senator McCarthy against "reds" in the U.S. in the 1950s.

Mr Heffer said: "We in Britain have not got to that stage yet, but the danger-signs are there. This is the time for all true democrats to say enough is enough, before it is too late and the atmosphere develops into one of hysteria.

"The latest episode is, of course, the further attempts by some newspapers to undermine the Labour Party by such stories as "1,000 moles within the party." I note that some of the most right-wing reactionary newspapers have editorials concerning themselves with the health of the party.

"The same newspapers, incidentally, at no time ever supported Labour when Clem Attlee, Hugh Gaitskill, Harold Wilson or Jim Callaghan were leaders. They have always been anti-Labour in their policies and they will continue to be so."

Stricter regulations 'not the way to prevent medicine calamities'

BRITISH ASSOCIATION ANNUAL CONFERENCE

report by DAVID FISHLOCK

TOUGHER GOVERNMENT controls are not the way to prevent calamities from modern medicine, Professor George Teeling-Smith, director of the Office of Health Economics, told the bio-medical section of the British Association's annual conference.

Professor Teeling-Smith said the world had suffered eight calamities from modern medicine since 1939. However, "better science rather than stricter regulation should make medicines very much safer in the future," he said.

His eight calamities began with sulphanilamide, an early antibiotic, which killed 107 in the U.S. in 1939. It brought into being the Food and Drug Administration's regulations on medicines. In the 1950s Stalinon killed 102 and permanently injured more than 100 in France. In the mid-1950s, the Cutter polio vaccine kiled five and permanently injured 54 in the U.S.

In 1961 Britain experienced its first medical calamity with the injury of 450 unborn babies by thalidomide. Other countries also suffered. Asthma aerosols produced the worst British medical calamity, with the death of 3,500; the problem was not toxicity but what Prof Teeling-Smith suggested was "over-usage or false confidence in the aerosols, which masked the need for more specific medical attention."

In the 1970s, practolol, the heart drug, killed 20 and injured 1,200 in Britain. Clioquinol, used to ward off travel sickness, killed 200 and permanently injured 6,000 in Japan. Most recently, benoxaprofen, the anti-arthritic drug, was believed to have killed 61 elderly people in Britain.

Set against an estimated 250,000 child lives saved in Britain by modern medicines, the calamities fell into perspective, Prof Teeling-Smith said. He added that government could neither guarantee the safety of the public nor absolve the drug manufacturer from responsibility.

In the case of the Cutter vaccine, the company had complied with all testing requirements of the U.S. Government. "This did not prevent the subsequent polio deaths, nor did it protect the company from crippling claims for damages."

Indeed, the company was usually able to act faster than government in response to signs of impending calamity, as with practolol in 1974. The drug industry had "learnt that it cannot rely on government measures to ensure safety or minimise risks."

TV-AM viewers up by 100,000

TV-AM INCREASED viewing figures by a further 100,000 last week. Figures released yesterday show an average weekday audience of 1.7m for the week ended August 21, compared with an average of 1.1m for BBC's Breakfast Time.

Figures for the previous week had been 1.6m and 1.2m respectively. The BBC station had averaged 1.2m daily viewers for three weeks running until yesterday's figures. In May, TV-AM averaged only 200,000 viewers.

Laser centre reaches for the skies

THE dazzling fairyland of novel lasers at Britain's national laser laboratory near Oxford was the subject of Dr Mike Key's address to the association.

Dr Key, who recently took charge of the central laser facility of the Science and Engineering Research Council at Chilton, traced the evolution of a family of world-class lasers it has developed with such names as Elf, Sprite, Vulcan, and Oberon.

The facility is shared by researchers from many universities to explore the behaviour of plasmas under unworldly conditions — temperatures and pressures of the kind existing at the heart of the sun and stars.

Vulcan, its most powerful laser, will deliver a power of 3,000bn w in bolts of red and green light lasting one-thousand-millionth of a second. It is Europe's most powerful laser, Dr Key claimed.

Sprite is big brother to a family of small ultra-violet lasers used for research in photo-chemistry and photo-biology. It is also proving a powerful new way of producing the masks for highly integrated silicon chips.

Funds for geothermal project

EFFORTS to extract high-grade geothermal heat from subterranean rocks in Cornwall were described by Dr Alan Batchelor who manages the Energy Department's biggest foray into alternative sources of energy.

Dr Batchelor, of the Camborne School of Mines, has just received a further £11m for the project.

He told the geology section that one of the earliest references to the energy potentials of hot dry rock at depths of several miles was by Sir Charles Parsons to the British Association in 1919. Sir Charles, inventor of the steam turbine, had forecast, however, that it would be 85 years before such a scheme could work.

Dr Batchelor's project began in 1975 with UK and European Community funding. He has drilled down to 2,125 metres — where it was 80 degrees C—and used high explosive to fissure the surrounding rock. This made it permeable to water pumped in to carry the heat back to the surface.

Police on standby in Ulster jails dispute

BY PHILIP BASSETT, LABOUR CORRESPONDENT

THE GOVERNMENT announced last night that police were ready to take over from prison officers in Northern Ireland who are refusing to work-overtime on Monday after the collapse of talks on a claim for travel allowances.

Mr Nicholas Scott, junior Northern Ireland minister, said after talks with representatives of the Prison Officers' Association had failed that contingency plans involving police were now ready to be deployed.

Members of the Royal Ulster Constabulary are set to take over prison officers' work at Ulster's four main prisons and a junior offenders' centre.

The establishments likely to be affected by the action will be the Maze prison, the major prison in Ulster; the Crumlin Road jail in Belfast, Ulster's main remand centre; the women's prison in Armagh; Magilligan prison, near Londonderry; and the junior centre in South Belfast.

The police would take over the work of the province's 2,500 prison officers, who are pressing a claim for special payment for travelling time between their homes and the prisons.

In negotiations, the Northern Ireland office maintained that no other civil servants in Ulster or on the mainland — even those such as customs or meteorological officers who also had to work overtime — received such payments. The Northern Ireland office estimates that to meet the full cost of the prison officers' claim would amount to about £2m a year.

Bank Holiday working forms part of the prison officers' regular rostered overtime, which amounts to about 15-16 hours per week on average, and contributes significantly to the officers' gross earnings, estimated at about £260 per week.

However, working normal overtime on rest days and weekdays is a major part of the total and it was not clear last night whether the RUC would have to take over the prison officers' normal overtime from Tuesday.

The amount of overtime working is not in dispute. The POA has made it clear that it accepts the present level.

Mr Scott said the use of police in the prisons would "place a very serious strain on the resources of the RUC." But he said it is the Government's duty to ensure that prisoners under its control are properly administered and prisoners properly cared for."

Shop stewards urge action over oil industry job cuts

BY BRIAN GROOM, LABOUR STAFF

SHOP STEWARDS in the oil and petrochemicals industry are pressing for recommendations on industrial action to be drawn up and put forward at mass meetings round the country in a co-ordinated attempt to fight job losses.

The unofficial Oil and Petrochemical Industry Combine Committee believes that more than 7,000 jobs in UK refineries are threatened after an EEC report which envisaged a 40m-tonne cut in European refining capacity.

The stewards say that 12.5m tonnes of that would be in Britain, which they believe indicates the possible closure of a further large refinery and two smaller ones. Recent closures include BP, Isle of Grain; Burmah, Ellesmere Port; Esso, Milford Haven; and BP, Belfast.

Including all companies dependent on the oil and chemicals industry, the committee claims that up to 100,000 jobs may be at risk. The estimate is in a discussion document to be presented to a conference of unions in the industry in Manchester next Thursday.

"In the short term only a campaign of industrial action will change the present course of events," the document says. It acknowledges, however, "the problems of organising a fight-back" and proposes co-ordination between unions and plants, arguing that traditional plant-level organisation is no longer enough.

The committee involves mainly Shell and BP stewards. It calls for the establishment of an industry of standing conference or liaison committee, which would meet national officers every six to eight weeks and co-ordinate action in response to threats to jobs.

Not all stewards in the industry are certain that there is much scope for co-ordinated industrial action, and companies are sceptical. A national one-day refineries strike was postponed indefinitely two years ago after workers in the two doomed refineries it was meant to help, BP, Isle of Grain, and Burmah, Ellesmere Port, said that they would not take part.

The proposed liaison committee would be supported by multi-union, multi-site organisations in each company. One aim would be to campaign on issues such as wages and pensions and to acquire confidential information on commercial matters.

Companies defend cuts on grounds of overcapacity. Stewards claim that the companies are deliberately relocating production capacity out of the UK, from which to satisfy UK demands and to make more UK capacity surplus to UK requirements.

The stewards would like to see companies subject to a national plan which would use North Sea crude and ethane feedstocks as the basis for strengthening existing downstream activities.

Express staff return to work

By Our Labour Staff

THE 300 journalists sacked by Express Newspapers in Manchester on Wednesday returned to work yesterday afternoon with the company making no concessions in the dispute over pay and bank holiday working.

The journalistic staff at the Manchester offices of the Daily Express, Daily Star and Sunday Express were sacked after a mandatory chapel (office union branch) meeting. The meeting was called after the refusal by the journalists to accept a 6.5 per cent pay deal which had been accepted already by the London and Glasgow chapels of the National Union of Journalists.

Yesterday, after more than 10 hours of talks between NUJ officials and management, a five-point plan for a return to work was agreed.

The plan is understood to involve no concession from the company to reopen pay talks with the Manchester chapel.

The journalists, who will lose two days' pay, may hold a secret ballot on the pay offer which was rejected initially by a margin of only five votes at a meeting attended by less than half the chapel.

Electricians go before TUC

THE DISPUTED union membership of the powerful group of breakaway Fleet Street electricians yesterday went before a formal TUC disputes committee, which is expected to present its findings in a matter of days and certainly before the TUC Congress which starts on September 5.

A large group of the electricians, led by Mr Sean Geraghty, claims to have left the Electrical Plumbing Trades Union to form an electrical/electronic Press branch of the print union Sogat '82.

The Left-led Fleet Street electricians have been at loggerheads with the Right-wing leadership of the EPTU for many years, but the TUC's Bridlington agreement — which controls inter-union membership disputes—makes it difficult for dissident groups to leave unions without the consent of the ruling body, and that the EPTU leadership will not give.

In informal discussions at the TUC over the past few weeks TUC officials have come down firmly on the side of the EPTU and against Sogat. The disputes committee is expected to reaffirm that position. Refusal to accept its funding would result in expulsion.

Hull port peace hopes rise

BY BRIAN GROOM, LABOUR STAFF

HOPES of an end to an eight-month pay dispute at Hull Port rose last night when local dockers' leaders in the Transport and General Workers' Union agreed to recommend a settlement. This followed two days of talks with employers.

An overtime ban, work-to-rule, and selective half-day strikes will end if the 1,000 dockers accept the recommendation at a mass meeting on Thursday. The deal would apply from September 5.

Associated British Ports, port operator and main employer, said dockers' leaders had accepted employers' demands for efficiency [illegible]cluding manning cuts.

Leaders had accepted in full, it said, a two-year pay deal recommended by a union-employer panel of the port industry's national joint council, linked to the productivity.

Conditional on reduced manning being agreed, the panel recommended a 9.8 per cent rise in basic rates from August 29, to last 16 months; a 17p-an-hour bonus for those affected by manning cuts; and a £4 extra supplement.

Associated British Ports said it was pleased dockers' representatives had at last accepted the need for improved productivity.

THE WEEK IN THE MARKETS

Shares drift lower

LONDON

ONLOOKER

Having again hit the high spots at the beginning of the week the London equity market has subsequently been in a more sober frame of mind.

A forecast from the National Institute of Economic and Social Research, that the UK recovery might peter out after the first quarter of next year, rather blunted investors' appetites for the party.

On Monday the Financial Times 30-Share Index had again broken through to a new peak of 740.4 as the market showed its pleasure at another set of U.S. money supply figures dampening down fears of a further hike in international interest rates this autumn.

Several factors which had previously kept share prices bubbling were absent this time. Company results although providing no shocks, were generally uninspiring by comparison with the much better than expected engineering results in previous weeks.

Some of the more significant U.S. purchasers of UK recovery stocks also appear to have got cold feet. UK favourites like Glaxo dropped 47p to 810p on Wednesday. A weaker Wall Street did not help, neither did British Industrial and General Trust's liquidation of its £12m plus equity portfolio.

The recent comment on the possibilities of further Government spending cuts and/or increases in personal taxation has heightened the market's nervousness.

A rare feature of interest in an otherwise somnolent gilt-edged market was the strength of index-linked stock. The announcement early in the week of two new taplets—one of them extending comfortably into the next century—reinforced the market's anxiety about the likely level of Government funding over the next few years and enhanced the attractions of index-linked as a safe haven.

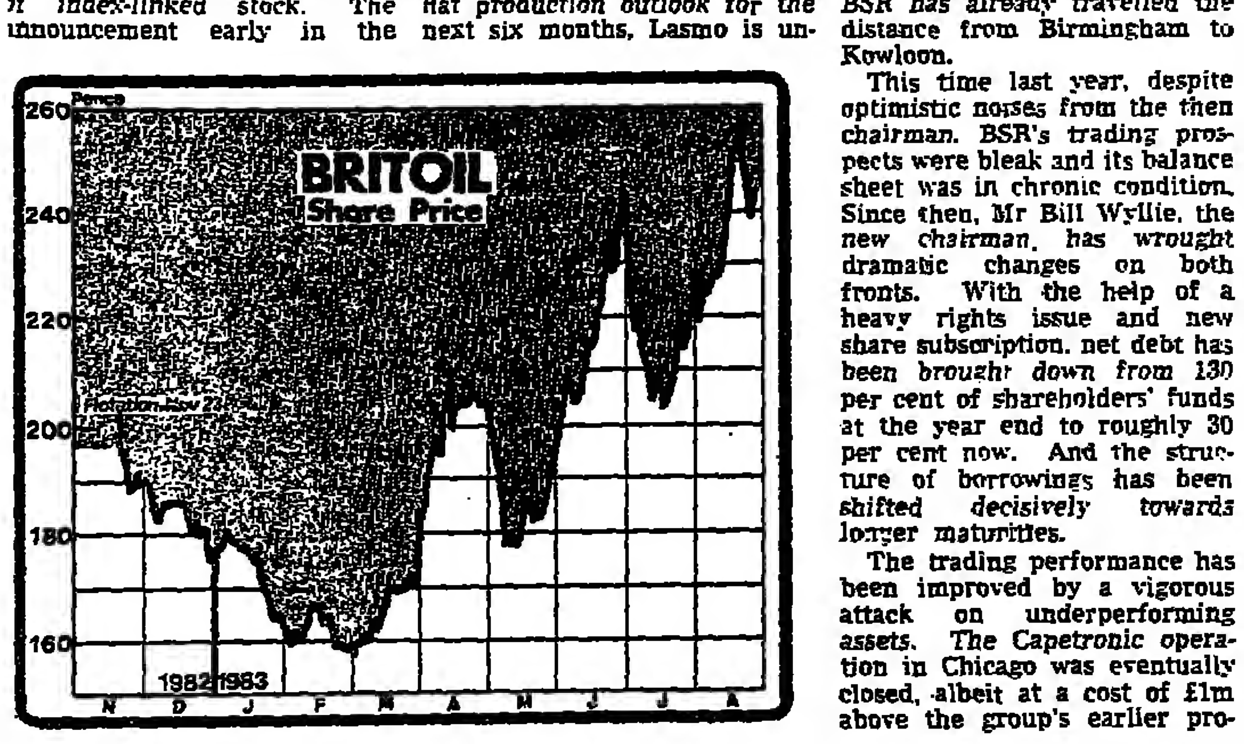
Britoil pleases

Two of the UK's largest independent oil companies, Lasmo and Britoil reported interim figures this week. The vagaries of accounting treatments in the oil sector makes profits forecasts particularly imprecise in this sector and both companies came out below market expectations, though after reconsideration the market decided that Britoil had actually done rather well.

Lasmo came in first on Tuesday with net income down 19 per cent at £17.8m, against an expected figure nearer £20m. The size of exploration write-off at £24.3m was much higher than anticipated. It included costs from previous years as well as the current one and far out-weighed the £10.6m profit which Lasmo received from the redetermination of its stake in the Ninian oil field, thus depressing the net income figure. Exploration write-offs will be much lower in the second half, no more than £6m. With a flat production outlook for the next six months, Lasmo is unlikely to match the half-year income at the year end. It must wait until next year before the benefits of exploration in Indonesia come through.

Britoil's performance proved to be much more heartening on Thursday, once the market recovered from the surprise of the £53.2m net income figure when it had expected over £60m. The missing millions were found in a separate charge for unrealised foreign exchange losses on dollar liabilities and an exceptional item covering the interest cost of the Ninian field determination. Added together they brought underlying net earnings up to nearly £70m, comfortably ahead of expectations, and enough to spur the share price on several pence.

Both companies have got periods of heavy capital expenditure ahead, although, Lasmo is further down the path of diversification from the North Sea than Britoil. Britoil, partly for this reason, stands at a much larger discount. Its discount stands at about 30 per cent of net assets. Both companies have benefited more from an improvement in the sterling value of oil revenues than any significant increase in volumes.



BSR gains ground

That the reconstructed BSR announced its first set of figures since the March reconstruction from Hong Kong was entirely appropriate. The Far East now holds the key to the company's future and, in financial terms, BSR has already travelled the distance from Birmingham to Kowloon.

This time last year, despite optimistic noises from the then chairman, BSR's trading prospects were bleak and its balance sheet was in chronic condition. Since then, Mr Bill Wyllie, the new chairman, has wrought dramatic changes on both fronts. With the help of a heavy rights issue and new share subscription, net debt has been brought down from 130 per cent of shareholders' funds at the year end to roughly 30 per cent now. And the structure of borrowings has been shifted decisively towards longer maturities.

The trading performance has been improved by a vigorous attack on underperforming assets. The Capetronic operation in Chicago was eventually closed, albeit at a cost of £1m above the group's earlier provision, while that subsidiary's Far East operations were shifted away from audio to higher technology production.

Mr Wyllie's team still has plenty of ground to cover, particularly in reorganising the UK industrial operations, but—as the chairman put it this week—the group is no longer fighting forest fires, just local flare-ups. The fire-engine has been BSR's Astec division, which enjoys a record order book for its computer components, and has been generating some of the cash to finance reorganisation elsewhere. Astec contributed effectively all the £8.6m of operating profits reported for the half year to June.

After a much reduced interest charge, pre-tax profits were £6.2m, which compares with a loss of £17.4m at the same level for the whole of last year. The shares, which have raced up from a low point of about 46p to 178p, are discounting profits for the full year in excess of £20m.

DoT investigates

John Griffiths QC faces what Sherlock Holmes might have called a three pipe problem. Mr Griffiths is the inspector appointed by the Department of Trade and Industry this week to open up the House of Fraser share register and discover who are the true owners of the shares and whether mystery shareholdings are acting in concert with Lonrho in its battle for influence over the stores group.

The Government decided to intervene following the presentation of confidential information to its Trade and Industry Department by Fraser which had outlined significant movements in the blocks of shares and expressed concern that these shares might act in concert with Lonrho.

In that event Lonrho might be in breach of its undertakings given to the DTI that it would not increase its stake above its present level of 29.99 per cent.

Fraser are under pressure. The narrowness of recent votes at the extraordinary general meetings called by Lonrho on the issue of floating off of Harrods have encouraged speculators to pile into the shares in the hope that they eventually hold the balance of power between Lonrho and Fraser and make a sizeable return on their investment.

These new investors, who include Bahamas-based multi-millionaire Jack Hayward, who is now reckoned to hold a near 2 per cent stake after this week's buying, seem to form a Lonrho "fan club." If all the past and present fans of Lonrho in the battel for influence over Fraser show their support is constant at the next confrontation then Lonrho, with its own commanding stake, will enter a future fight with something like 40 per cent of the Fraser shareholders' voting power behind it.

Small wonder that the Fraser shares have ben showing such activity with an end to a deadlock in sight, a possible demerger of Harrods, and a flurry of bid interest.

Figures flatter

Blue Circle's interim results published on Thursday caught the stock market on the hop. The announcement of £48.2m pretax profits initially sent Blue Circle's share price bounding up from 445p to 470p before the market realised that the better-than-expected results flattered to deceive.

After more considered judgment the share price fell back sharply to close 22p down on the day at 423p.

The confusion was brought about by a change in Blue Circle's depreciation policy (to bring the group into line with the 1981 Companies Act) which meant that first-half profits would have been £9.9m lower if the figures had been treated on a strictly comparable basis.

Blue Circle does not have too much to cheer about at present. The recovery in UK building activity has affected areas like housing and home improvement while heavy cement users, like civil engineering, remain deeply in recession.

Blue Circle has suffered most overseas, and earnings from Mexico and Chile are savagely down on the levels of two years ago. Given that the UK market is likely to remain dull for some time the group's fortunes remain heavily linked to oil prices and the effect these have on the economy and expansion programmes of third world countries.

MARKET HIGHLIGHTS OF THE WEEK

	Price y'day	Change on week	1983 High	1983 Low	
F.T. Ind. Ord. Index	722.1	−13.6	740.4	598.4	Technical setback
Atlantic Resources	340	−125	615	35	Awaiting drilling report
BSR	180	+15	180	55	Strong interim profits recovery
Bowater	215	−26	245	153	Profit-taking
Clay (Richard)	87	+16	89	63	Speculative demand/results soon
Copydex	105	+42	105	38	Excellent interim results
De Beers Defd.	638	−45	700	382	Disappointing interim figs.
Glaxo	795	−65	990	625	Profit-taking
Gold Mines Kalgoorli	705	+65	810	500	No tax on Australian gold mines
Hepworth (J.)	185	+17	195	106	Broker's visit
Ibstock Johnsen	152	−11	171	87	London Brick decides against bid
LASMO	350	−35	397	223	Disappointing int. figs.
Miss World Group	170	+30	173	110	Bid hopes
Nova Inds.	£208	+18	£215	£133½	Good half-year results
Pritchard Services	131	−15	172	131	Rights issue/bid for Spring Grove
Rivlin (I. D. and S.)	75	+25	75	27	Shareholding changes hands
TACE	148	−18	170	21	Profit-taking
Turner and Newall	60	− 8	71	24	Tighter controls on asbestos
Waddington (John)	270	+23	280	68	Bid situation
Whim Creek	180	+22	182	53	Speclative buying

Sideways shuffle

NEW YORK

TERRY DODSWORTH

THE WALL STREET soothsayers began polishing their crystal balls in earnest early this week in anticipation of the mid-week Federal Reserve Board policy meeting.

The board deliberated, as usual, with all the openness of a Vatican conclave, and duly caught the market napping a day later with a sharp little nudge to short-term money market rates through the reserve repurchase device. So much for the soothsayers, who had been slipping off in the opposite direction.

The consensus explanation of the Fed's tightening was that rates had been softening a little too quickly for comfort. Fed funds had fallen since the beginning of the week by about a quarter of a percentage point, while yields on both three month Treasury bills and the newly-introduced 12 per cent long bond had also shaded downwards. Only a fortnight ago, the long bond was yielding 12.15 per cent, against 11.53 on Wednesday, and while the drift towards lower rates may say something about long-term inflationary expectations, it has also raised anxieties about going too far too soon in an economy which is already moving along.

Inflationary fears had already received a small jolt on Tuesday with the publication of a slightly higher rise than expected in the consumer price index for July. This was enough to send the equity market down by 10.26 points, thus almost cancelling out the gains on Monday when the previous weekend's encouraging money supply figures had proved satisfactory enough to bring buyers back into the market and push the Dow Jones Industrial Average up 9.4 points to 1,203.15.

In the absence of any really strong signals from the bond market, which has tended to make the running for equities since the plunge in interest rates was checked earlier in the summer, the index continued to flutter around under the 1,200 mark. While this sideways shuffle is providing a field day for the chartists, few analysts appear to be willing to commit themselves to anything but more of the same for some weeks to come. Indeed, as E. F. Hutton points out, levels of bond yields at present—up from around 10.5 per cent in mid-April and May—make adequate competition for industrial equities on average current yields of around 4.7 per cent.

Perhaps the most exciting flurry in the equity market came on Tuesday on the announcement of BanCal Tri-State's acceptance of a $50 a share bid from Mitsubishi Bank of Japan—an offer slightly lower than the terms tabled by Well Fargo.

AT&T, after a good run a couple of weeks ago, also notched up a few further points over the week, generating a lot of the volume in generally thin market trading conditions. Two items of news pushed the telecommunications giant along—a tentative peace agreement with its strikers, and a Federal Communications Commission decision which effectively increases the price of competitors' access to AT&T's telephone lines.

High technology stocks have generally been under pressure over the last few weeks. So AT&T, for the moment at least, is bucking the trend. The other giant in the communications industry, IBM, confirmed the sector's general slippage, however. A distinctly jaundiced newspaper analysis of its prospects following its recent product strategy overhaul was followed by steady pressure on its shares for most of the week.

The clouds over the high technology sector are consistent with the view that the present corrective phase in the bull market which took off a year ago will see some switching away from the stocks which made the initial running.

Analysts are pointing to capital goods, commodity cyclicals and special situations as likely beneficiaries of the readjustment. But the sort-out seems to be proceeding at the leisurely pace appropriate to New York's steamy summer.

The trouble is that in heavy industry there is still plenty to worry about. Steel price rises — announced this week — may show a manufacturing base that is re-asserting itself, but industry still has a lot of ground to make up. And International Harvester's initial moves to reconstruct its finances for the second time in two years only focuses attention on the fact that there are still some sizeable corporate horror stories around.

MONDAY	1,203.15	+ 8.94
TUESDAY	1,192.89	−10.26
WEDNESDAY	1,184.25	− 8.64
THURSDAY	1,185.06	+ 0.81

Looking below the surface

MINING

KENNETH MARSTON

"OUCH!" said the sharemarket on Tuesday when De Beers reported that earnings for the first half of this year had sagged to R223.7m (£130.8m) from R239.1m in the same period of 1982 and rubbed it in with an interim dividend of only 12.5 cents, unchanged from the previous year's halved level.

Much better things had been expected. After all, world sales of rough (uncut) diamonds in the period had risen by 51 per cent in South African rand terms over those of a year ago. And while demand is still concentrated on the smaller and less profitable gems, some of this improvement should have shown up in De Beers' results.

In fact, it had. The trouble is that the company's name is synonymous with diamonds and it is thus easy to forget that non-diamond sources also make a substantial contribution to the group's profit figures. Much of this non-diamond contribution is lumped together under the heading, "share of retained profits after tax of associated companies."

In essence, it reflects De Beers' major shareholdings in Anglo American Corporation, Anglo American Industrial Corporation and Minerals and Resources Corporation (Minorco). All have fallen on more difficult times with the result that their contribution in the latest half-year has dropped to R93.3m from R152.3m.

This has offset the rise in De Beers' revenue from diamonds to R138.9m from R108.5m a year ago. As our chart shows, total earnings per share for the latest period have fallen to 66.7 cents from 70.3 cents, but if you take out the associate companies' contribution, the other earnings have risen to 40.7 cents from 23 cents last time.

This may not be much comfort to a shareholder gloomily surveying his small dividend cheque, but it does show that gradual recovery in the diamond market is getting through. Another piece of good news is that the group has reduced its borrowings to R34m from R59m.

A goodly part of these borrowing has been used to finance the group's huge stockpile of unsold diamonds but because the debts have fallen the interest payable has also eased, to R32.1m from R45.6m. And this cost has been matched by a rise in the interest paid to De Beers which comes out at R32m against R32.2m. So the diamond man's burden is not what it was.

Chances are that De Beer's overall earnings will improve to some extent in the current half year, but full recovery in the diamond market is going to take time: it may be several years before the huge stockpile can be reduced to normal levels.

For this reason, De Beers is unlikely to be in any hurry to restore its total dividend level from last year's 37.5 cents to the 75 cents paid for 1980. The group can well afford a token increase in this year's final and may do so. In the meantime, however, the shares at 638p to yield only 3.4 per cent look quite high enough.

The current dividend yield of 4.3 per cent at a heavyweight price of £91 offered by shares of Johannesburg Consolidated Investment ("Johnnies") is not much better. It might be justified if the company could be seen to be heading for a good expansion in profits in the current year to next June.

That, however, seems doubtful in view of the fact that the group's major income sources are South African industrial activities coal, platinum, gold and diamonds. Now that South Africa is in the grip of "a full scale recession," according the Reserve Bank, the outlook for "Johnnies" industrial activities must be viewed with caution.

Then, too, the world coal industry is going through a lean time. Still, platinum seems to be set on a rising course and gold may well follow while diamonds are, at least, over the worst. Meanwhile, "Johnnies" good results for the year to last June, announced this week, came as a surprise, following the uninspiring performance for the first half.

As it is, earnings for the full year come out at R102.7m against R86.1m for 1981-82. So where has the extra R16.6m come from? Investment income has risen R6.2m to R71m, but the profits of operating subsidiaries have dropped R3.1m to R19.7m. The missing increase of R13.7m (preference dividends required an extra R0.2m) was seen in "other net revenue" of R20.6m.

Just what comprised "other net revenue" and why has it increased so much? No answers are to be found in the latest results from "Johnnies." In the previous year's annual report it is disclosed that "other net revenue" of R6.9m for that period was made up of fees, interest and a profit on a land sale, less exploration expenditure and depreciation.

Presumably the relevant information will also be given in the 1982-83 annual report which is due sometime in October. The pity is that shareholders have to wait so long because such information could have a bearing on this year's results.

Meanwhile, the dividend increase of 50 cents to 650 cents will please holders who include Anglo American Corporation with a stake of 41 per cent.

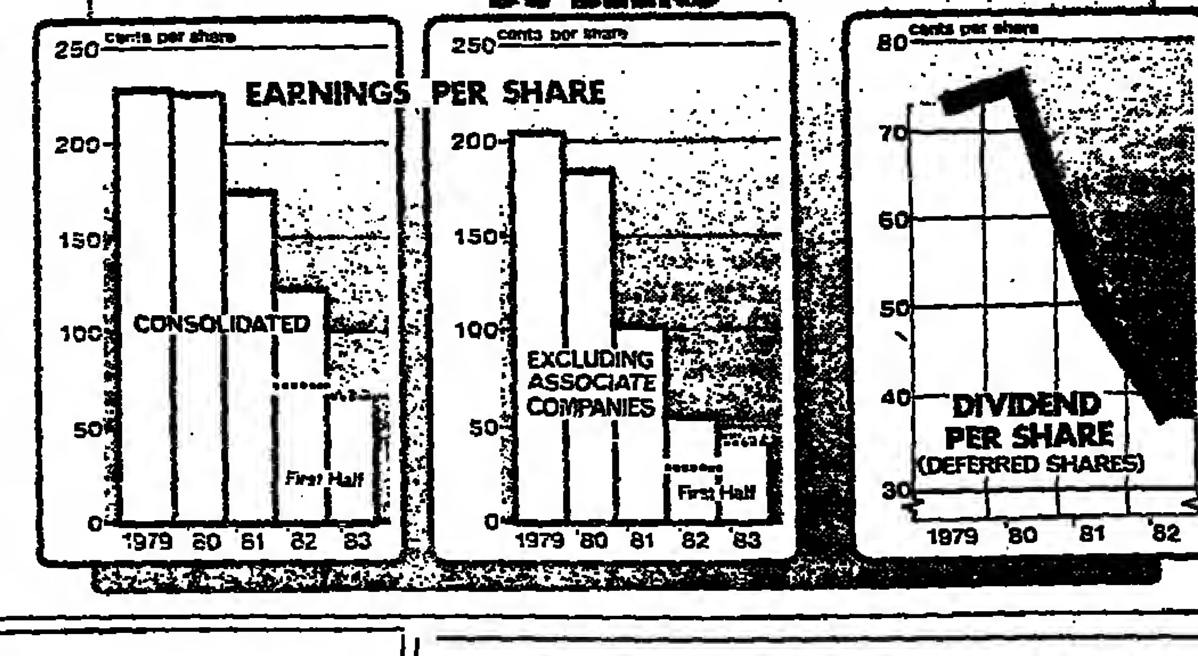
The Consolidated Gold Fields group's major Australian arm, Renison Goldfields Consolidated (RGC), has moved out of the red with a profit of A$10m (£5.83m) for the year to June 30 after a loss of A$10.2m in the previous year. For good measure there is also a final dividend of 10 cents—the interim was omitted—which goes against an interim only of 5 cents for 1981-82.

The latest results include an extraordinary profit of A$3.85m (against an extraordinary debit previously of A$3.76m) on the sale of investments. Cost savings and improved efficiency also figure largely.

What really matters, however, is the outlook for the current year because the shares are selling on a dividend yield of only 2 per cent. RGC takes hope from the improvement in the U.S. economy and looks for a pick-up in the previously depressed market for mineral sands. Better metal prices could also help the copper and gold operations.

But the major asset, the fine Renison tin mine in Tasmania, remains handicapped by the production curbs demanded by the International Tin Agreement. At the same time it would be too much to expect further cost savings of the magnitude achieved by RGC in the past year.

So it is difficult to see the company lifting earnings in the current year to an extent which justifies the 294p share price.



U.K. CONVERTIBLE STOCK 27/8/83

Statistics provided by DATASTREAM International

Name and description	Size (£m)	Current price	Terms*	Conversion dates§	Flat yield	Red yield	Premium† Current	Premium† Range‡	Income Equ§	Income Conv¶	Income Div♡	Cheap (+) Dear(−)◊ Current
British Land 12pc Cv 2002	9.60	292.50	333.3	80-97	4.2	1.1	2.0	−4 to 8	28.8	84.9	19.6	+17.5
Hanson Trust 9½pc Cv 01-06	81.54	234.50	107.1	85-01	4.2	1.5	−2.7	−6 to 1	104.0	75.6	−11.8	− 9.0
Slough Estates 10pc Cv 87-90	5.03	219.50	234.4	78-84	4.6		−8.2	−9 to 2	10.6	4.8	− 2.4	+ 5.8
Slough Estates 8pc Cv 91-94	24.72	106.00	97.5	80-88	7.6	7.2	6.8	4 to 14	21.2	27.9	6.7	+ 0.1

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◊ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness, − is an indication of relative dearness. § Second date is assumed date of conversion. This is not necessarily the last date of conversion.

YOUR SAVINGS AND INVESTMENTS—1

FINANCE AND THE FAMILY

BY OUR LEGAL STAFF

Height of a hedge

After reading the "Finance and the Family" section of April 23, 1983 we approached our District Council, regarding Cypress trees some 20 ft high used as a border hedge on our neighbour's land. Their representative visited us and, although he fully appreciated the problem, said that no action could be taken unless the trees were dangerous. We referred him to your article but he knew of no applicable order. Could you please supply us with further reference? We had in mind the General Development Order, Class II, paragraph 1, treating the hedge as a "means of enclosure" which is permitted (by that paragraph) up to 2 metres in height.

What constitutes development

I refer to your reply to a question on April 23 about "The height of a Cypress hedge."
The view of our local planning authority is this:
"To be included in the Permitted Development Classes of the General Development Order it must first be development as defined in Section 22 of the 1971 Act.
I have never looked upon the planting of a hedge (or permitting it to grow) as a building, engineering or other operation or a material change in the use of the land. It is hard to see how a hedge can be "erected" or "constructed" and the words "other means of enclosure" has in mind man-made structures.
Unless there is a condition attached to a planning permission restricting the the height of vegetation for a particular purpose. I do not consider a local planning authority has any control over he height of a hedge."
May I have your comment please?

We think that the view expressed by your local planning authority could spring from a confusion between what matters are within the General Development Order, and thus are *exceptions* to the requirements for planning permission, and what constitutes "development" so as to require planning permission. The latter is defined in Section 22(1) of the Town and Country Planning Act 1971 as including "other operations in on or under land." There is a strong case for saying that planting a hedge (as opposed to allowing an existing hedge to grow) is such an operation and is therefore "development," but is NOT excepted by the General Development Order. "Other operations" have been held by the House of Lords not to fall to be construed *ejusdem generis* with the preceding words.

House sale and CTT

I was interested to read your reply under House sale and CTT, May 28.
My problem is a little more fundamental in that my mother (a widow with four adult children) wishes to make use of her annual CTT exemption of £3,000 by giving away a "slice" of her flat to each child (£750) each year thus reducing the value of her total estate liable to CTT on her death.
Could you please outline the technique by which this is achieved?

A means of achieving what your mother requires is for her to make a declaration of trust of the flat, and to state that the equitable interest is to be divided into an appropriate number of shares, say 180, and each year to assign to each child three of the equitable shares. To allow for a margin when the value of the property rises it might be wise to increase the number of shares to say 200. Consideration would have to be given to the position at the end of the sequence if it is intended that your mother should continue to live in the flat. While we believe that a scheme such as this will be effective, its efficacy has not as yet been tested.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

SAVER'S INTEREST RATES

Where to deposit

A survey of low-risk investments—and the problems of calculating the returns they offer

THE PRESENT Tory Government is committed to bringing down interest rates. But since it was re-elected just over two months ago, interest rates have been increased first by the building societies and then by the Government itself on its National Savings products.

When such interest rate movements occur, the investor should look afresh at the returns available on low-risk savings such as National Savings, bank deposits and building society investment.

The table shows the net returns currently available on most of the major low risk savings products. The raw figures show that the best returns come from Guaranteed Income Bonds offered by a few life companies and building society high income shares, followed by the 26th issue National Savings Certificates, which were launched this week.

But investors should not base their decisions solely on the current yield offered. They should also bear in mind the ease with which they can retrieve their savings whenever they need them.

COMPARISON OF RETURNS ON LOW RISK SAVINGS

	Investor's Tax Rate (%) Nil	30	50
FIXED INTEREST			
26th Issue Nat. Savings Certs. 5 years	8.25	8.25	8.25
Local authority yearling bonds	10.56	7.39	5.28
Guaranteed Income Bonds best yield			
2 years	8.50	8.50	6.80
3 years	8.50	8.50	6.80
4 years*	9.00+	9.00+	7.20+
5 years	9.00	9.00	7.20
VARIABLE INTEREST — current yield			
National Savings Income bond†	11.5	8.05	5.75
National Savings Bank Inv. Account	11.0	7.70	5.50
Bank deposit one-month	8.25	5.78	4.12
three months	8.87	6.21	4.43
Building Society deposit account	7.00	7.00	5.00
one-year term share	8.25	8.25	5.89
high income	9.00	9.00	6.43
On-shore money fund-call fund-median	9.00	6.30	4.50

* Rate rises with age. † From September 4.

Source: Money Management.

For example the full return on the 26th issue National Savings certificate applies only if the investment is held for five years. Similarly investors are virtually locked into guaranteed income bonds. The extra or high income plans marketed by some of the building societies carry an interest penalty if they are cashed in early. Usually about three months' interest is foregone.

The crucial factor to take into account before making such an investment is the outlook for interest rates and inflation over the period in which you will be locked in. In this respect, it would be wrong to see the recent hiking of interest rates as heralding a trend. For the increase was due primarily to transitory factors.

The building societies for example may have over-reacted to a shortfall in money for mortgages and lengthening queues of home-buyers. The impact of their interest rate increase came immediately, with receipts in July at £739m being more than double those of May and June. Continued investment at this level will be more than enough to meet mortgage demand.

The return on National Savings products was increased for a similar reason. The investment in National Savings so far has been well below the level necessary to meet the £3bn target for the current financial year. It will take a couple of months to see if this move results in the required increase in funds to National Savings.

Some market analysts are expecting a steady fall in the general level of interest rates, although it may take a little time for this to be translated into cuts in building society and National Savings yields. Clearing banks are much more sensitive in their response to interest rate movements.

If the present Government achieves its objectives of bringing down interest rates over the next year and keeping inflation rates low, the fixed interest savings products will be offering the most attractive returns, as the rates on the variable interest products will fall.

Conversely, if inflation rises substantially over the next 12 months, interest rates could go up as well. Then those locked into a fixed interest product will lose out. The more cautious investor therefore should stick to those products that are easily cashed in, those which offer a variable interest rate or those with a return which rises with inflation

Eric Short

Compounding ambiguity

COMPARING interest rates on deposit and investment accounts is not as simple as it looks. How much you earn depends on how frequently interest is paid out.

Save and Prosper recently stirred up a hornet's nest by advertising an interest rate for their chequebook High Interest Account, which was calculated by assuming interest was credited daily.

Not that such a calculation produced too high an interest rate. For interest was indeed being credited to their clients' accounts on a daily basis. Thus their rate represented the Annual Percentage Rate which the Department of Trade and Industry insists must be quoted in consumer credit transactions.

But most of the competing money market funds and the building societies advertise a "flat" rate which assumes that interest is credited only once a year, at the end of the year—even if they pay out interest more frequently. This means that an investor who leaves his capital and accruing interest in the fund for a year will actually be earning more than the quoted rate as, in the later months of the year, interest will be paid on a sum larger than his original deposit.

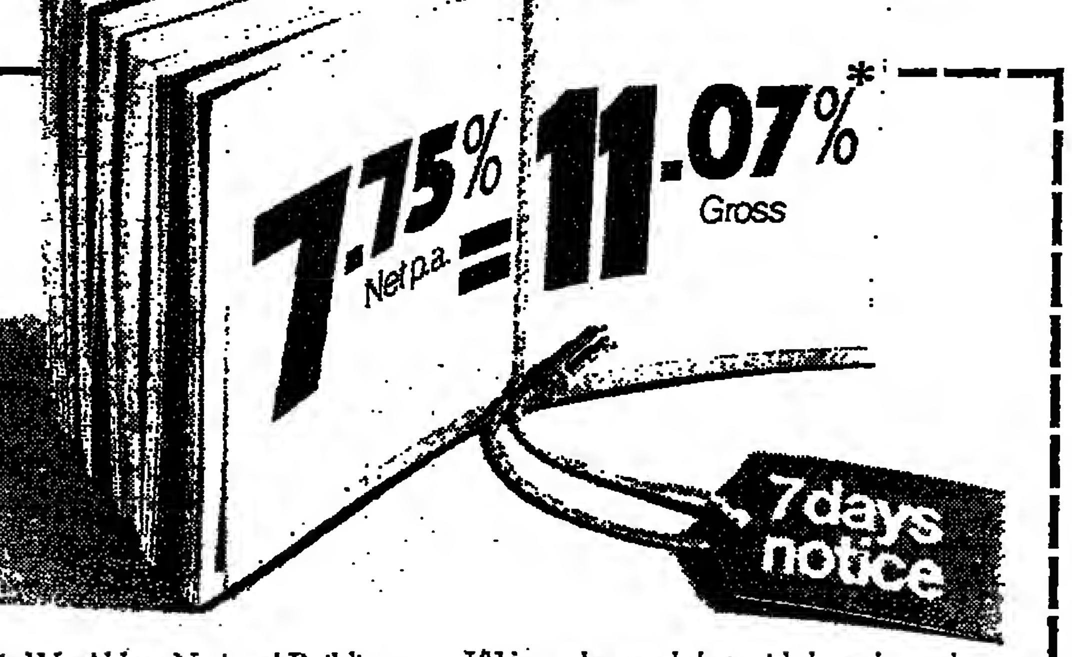
The Bank of England, whish supervises the money-market funds, has been urging them to standardise the method by which their interest rates are calculated. Paul Bateman, of Save and Prosper, has been given the job of working out an acceptable formula.

Building societies too have traditionally quoted the [...] rate in their advertiseme[nts] and the officially recommen[ded] rate is also quoted on that ba[sis]. But as most pay out inte[rest] half-yearly or even m[ore] frequently, this understates [the] true rate.

Recently, Nationwide [and] several of the smaller buil[ding] societies have been quoting [the] APR alongside the flat rate. [The] Halifax sometimes states [the] APR and sometimes fails to [do] so. So far there have been [no] moves to standardise the [cal]culations.

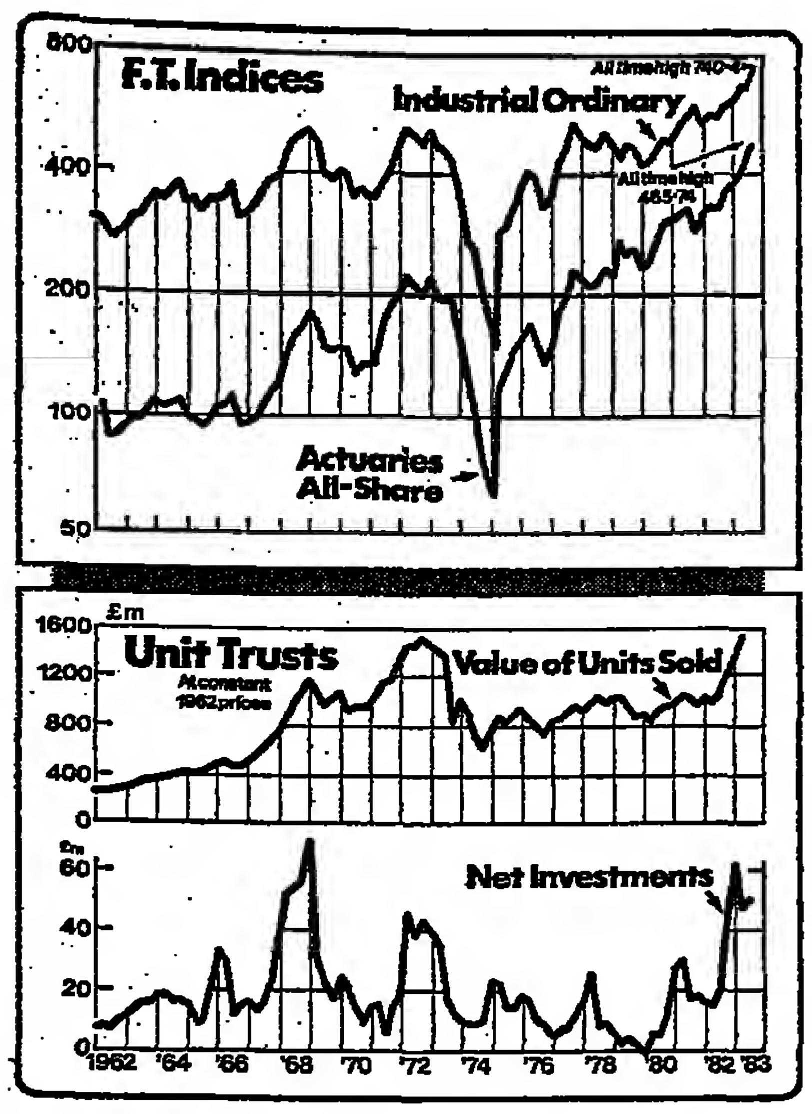
For deposit-takers who cre[dit] interest on a daily or mont[hly] basis, the Annual Percent[age] Rate is about ½ per cent hig[her] than the flat rate—if the [flat] rate is about 10 per cent. Fo[r a] fund crediting inte[rest] quarterly, the difference [is] about 0.35 per cent. Wh[en] interest is credited half-yea[rly] the difference is about 0.25 [per] cent.

Clive Wolm[an]



Financial Times Saturday August 27 1983

YOUR SAVINGS AND INVESTMENTS—2



The City bears emerge

With the stock market touching an all-time high this week before dropping sharply, CLIVE WOLMAN asks City forecasters if now is the time to sell

THE BEARS have a habit of lurking in the undergrowth and pouncing just when you least expect them.

There you are sunning yourself on the beach, mentally flicking through your share and unit trust portfolio and purring with satisfaction.

All your stocks are coming up nicely—you'll just hold on a little longer and sell out at a hefty profit.

Then suddenly down goes the market. You get on to your broker but he tells you there's no need to worry, just switch a few stocks here and there.

Then you delay again to calculate how to avoid paying tax on your diminishing capital gains. By the time you finally get rid of the wretched stocks, *most of your profits have been* wiped out.

Three things happened over the last week to make small investors nervous about whether the bull market, which has taken the FT 30-share index up from a low of 457.5 in September 1981 to 740, is about to go into reverse.

First the FT Index, after reaching a record high of 740.4 on Monday, *fell back by 18.4* points on Tuesday, the biggest one-day fall for two years, and ended the week down at 722 points.

Then there were a couple of gloomy forecasts. One, from the National Institute of Economic and Social Research, said that the recovery was going to peter out next year. One of the founding fathers of British economic forecasting, James Morrell, stirred up further anxiety.

Most forecasters like to wrap up their predictions in esoteric let-out clauses. But after 28 years of forecasting, 60-year-old Morrell doesn't believe in pulling his punches.

Although he was the founder of the Henley Forecasting Centre, he is now attached to insurance broker and licensed security dealer Towry Law. So his *forecasts have a lot of* influence with small private investors.

From his sick bed in the Barbican last weekend, Morrell sent out a booklet to his clients saying, "We are near the end of the bull market in (UK) equities. . . . We recommend the entire portfolio be invested overseas."

The other straw in the wind this week, for some people, was that booming unit trust sales in July, one of the best indicators of the involvement of small investors in the UK stock market, pushed up funds under management to an all-time high.

The inflow of funds which slowed down before the election is gathering pace again, to approach levels not achieved (in inflation-adjusted terms) since the 1972 bull market.

That is enough to get many City folk nervous. For the cynical belief that it is the eternal fate of the little man to pile in at the top of the market carries weight in the Square Mile.

"You can be sure trouble's on the way when unit trust sales reach their peak," said one po-faced director of a leading merchant bank. "When the C1s and C2s start coming in, it's time for us to get out." He even produced statistics to prove his point (see graph).

The theory is simple: to give share prices a *final* boost before they turn round and scramble all the way down again, money has to be drummed up from a new source.

The largest remaining source of new money has become the small investor who, according to the folklore, gets to hear the good news about the stock market only when there is no more money to be made. And *with the unit-linked life assurance* salesmen scouring the council estates in the wake of the Labour Party canvassers, the City cynics now believe the barrel is being scraped.

City economists pour scorn on such primitive entrail-examination. But many agree, in a more guarded form, with James Morrell.

Morrell's outlook is based on the view that cycles of economic activity will be with us *for* a long time to come.

The best clues as to when the cycle is reaching its peak are to be found by looking at nominal interest rates. These will shortly be going up, he believes, as the only way to choke off a rising demand for credit.

Michael Hughes, an economist at stockbrokers De Zoete and Bevan, is also watching interest *rates closely.* "We are at the stage in the cycle when people expect interest rates to rise," he said. "The best of the run has been seen. We are now in a *period of consolidation.*"

The stocks to be wary of, he believes, are the smaller companies quoted on the Unlisted Securities Market. "Some of their prices are ridiculously high," he said. But even if the market dips, he doesn't expect any general slump in prices.

According to Kenneth Inglis, head of equity research at stockbrokers Phillips and Drew, "*the usual run of bull markets* is for 15 to 25 months and this one has been going for 23 months already."

Share prices, he calculates, are on average nearly 14 times the prospective 1983 earnings per share (after deducting 52 per cent tax).

This is higher than the average multiple of 10 times earnings between 1975 and 1982. But it is still less than the *multiple* of 16 during the last major bull market from 1971 to 1973.

George Dennis, head of the Post Office pension fund, is concerned about the prospects for economic recovery.

The companies he thinks are still worth buying are those which earn most of their profits overseas.

Bill Bain of stockbrokers Wood Mackenzie is one of the most pessimistic of market analysts. "The market is looking expensive," he said. "Most of the recent improvement has come from dubious recovery stocks. The market leaders have been struggling."

There may have been a recent upsurge of interest in the stock market from private investors. But he believes they are still selling more shares than they are buying, as they have been for the past 30 years. Most of the extra money which has recently boosted the market has come from overseas, he says.

None of this means that you have to phone your stockbroker on Monday morning and sell everything. Not everyone with influence is a bear. They can't be. There must be a similar number of optimists to balance the pessimists, otherwise there would be no buyers to match the sellers.

And even if, suddenly, there were no more optimists around, it wouldn't help you. Suppose one morning all the market analysts woke up and leapt to the same conclusion, that the market was too high. The institutions would rush in and dump their stocks on the market sending prices helter-skeltering before you could get beyond your stockbroker's telephonist.

Meanwhile, however, there are still sufficient optimists around to give you plausible reasons for holding onto your stocks—provided you've got strong nerves.

How the bookies can protect your capital

An unconventional, but cheap and tax-efficient, way of protecting yourself against a slump in share prices

EVEN IF you're growing nervous about the UK stock market, the costs of liquidating your share and unit trust portfolio remain high, particularly if the market resumes its upward trend after taking a breather and you decide to buy back your investments.

There are brokers' commissions, jobbers' turns, unit trust bid-offer spreads and stamp duties to be paid. Worst of all, the investor who sells and buys back later may also crystallise a major liability to capital gains tax.

There is an alternative to selling off your share portfolio in a period of jitters—and that is to hedge it. The upsurge in popularity of the traded options and financial futures markets before the election indicates two ways in which investments may be hedged.

But for the individual share or unit-holder, normally the simplest and most tax efficient method of hedging is by taking a down-bet on the FT 30-share *index.*

The two bookmaking firms which take bets on the FT index are Ladbroke's (telephone 01-493-5261) and the I.G. Index, based in Grosvenor Gardens, London (01-828-5699). But placing a bet on a financial index is not like betting on a horse—there is no winner or loser. All you can do is bet whether the index will go up or go down. You define your stake by saying how much money you will wager for each one-point movement.

For example, if you take a down-bet on the FT index and it has fallen five points by the date on which the bet is automatically closed, you will make a profit of £50. If the index has gone up by five points, you will lose £50. Punters currently have a choice of two closing dates, the end of September or the end of December. But you can close your bet earlier by telephoning, if you want to cut your losses or get out while you're ahead — otherwise your liability is unlimited.

The sums are more complex if you are taking a bet in order to hedge the risks of owning shares. Suppose you own a diversified portfolio of UK shares, held either directly or through unit trusts or investment trusts, which the market values at £21,000 when the FT *index stands at 700. A one-point* falli n the index will on average knock off approximately £30 from the value of your portfolio. To hedge against this risk, so that you don't lose if your share prices fall, you make a down-bet of £30 a point on the FT-index.

If by the end of next month, the FT-index has fallen to 650 and the value of your portfolio by a similar proportion to £19,500, you will make a betting profit of close to *£1,500, enough* to offset your portfolio loss.

By contrast, if the FT index rises 50 points to 750 by the end of September, you will make a betting loss of about £1,500. But your shares will have risen in value by about £1,500—provided that they have gone up in line with the FT-index, which is a reasonably accurate, although imperfect, measure of the market over the short-term.

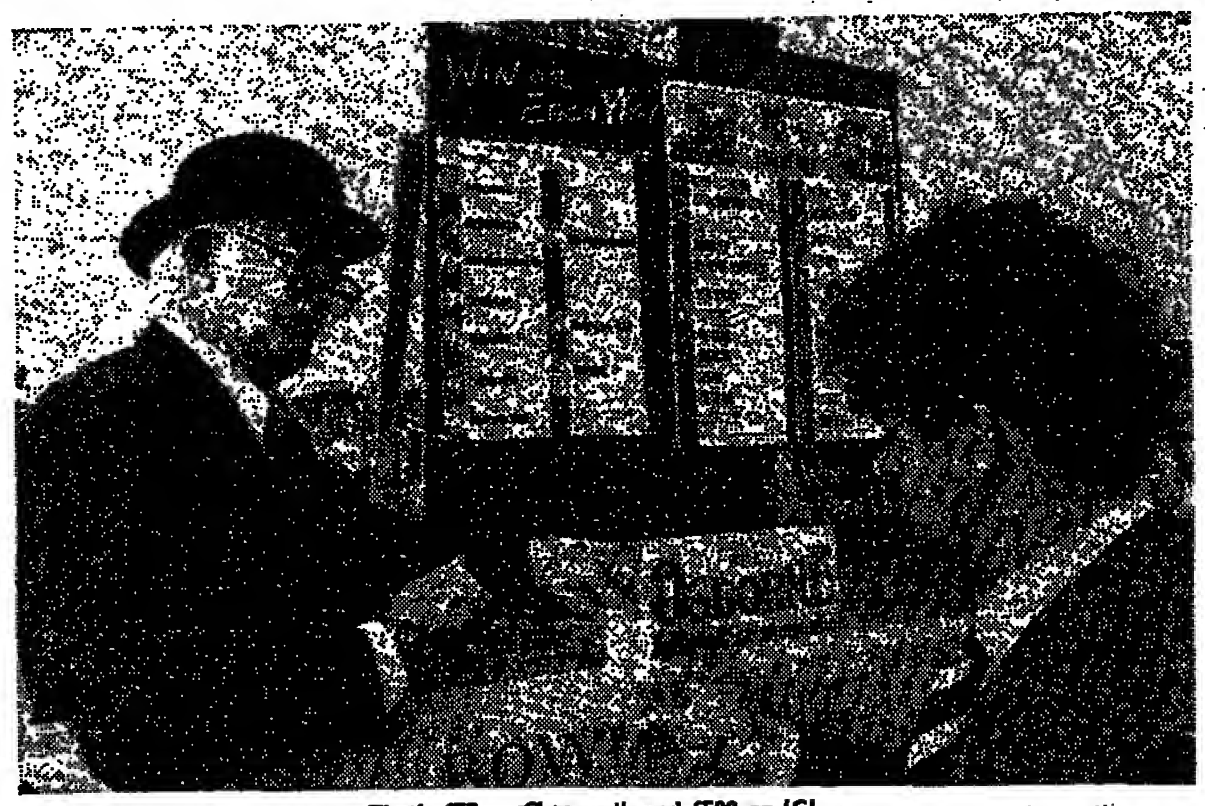
There is a price to be paid for this insurance policy, which is represented by the "spread of prices" quoted to you by the bookmakers, rather like a jobber's turn. If the index stands at 700, the quotation will possibly be "697 to 702." If you take a down-bet, you only start making a profit when the index falls below 697. For an up-bet, the index has to rise above 702. This spread covers the bookmaker's administrative costs and betting tax.

Bets may normally be opened by making a telephone call. The I.G. Index requires that a deposit be sent immediately to cover 5 per cent of the maximum theoretical loss on an up-bet. Ladbroke's, however, does not require any deposit, if you can provide a satisfactory bank reference.

One of the attractions of betting on economic indices is *that any profits you make are* free of tax. By contrast, hedging profits made from the use of traded options, or put options, are liable to capital gains tax. But the converse is also true: any losses suffered through the fall in the price of an option may be used to reduce a liability to CGT—but not with betting.

The I.G. Index offers the possibility of hedging against other economic risks. One of these is the possibility of a rising pound which would reduce the value of a portfolio of, say, U.S. equities. To hedge against this risk, an up-bet may be taken on the sterling-dollar rate.

Another risk is that of a rise in interest rates or a fall in the price of conventional gilt-edged securities. Gilt-holders may also hedge against this risk by placing with the I.G. Index a down-bet on the 20-year 12 per cent gilt-edged futures contract which is traded on the London International Financial Futures Exchange. Far smaller amounts can be hedged by betting, than by the use of financial futures.



That's £75 on Shearwalk and £500 on ICI.

Investors who hold shares mainly in one or two sectors, for example oils or electricals, can no longer open a bet to hedge against the risks of their particular sector. Such a service was offered by a Leamington Spa company, the Futures Index. But its owner, a Mr Keith Hunt, did not stick around to reap the benefits of *the current jitters. Since mid-*April he has been missing, as has about £10m of his clients' money—and the Futures Index is now in liquidation.

Clive Wolman

YOUR SAVINGS AND INVESTMENTS—3

MORTGAGES

Back to the bad old days

MARGARET HUGHES examines the background to this week's re-introduction of higher interest for larger home loans

THIS WEEK two of the "big five" building societies, the Halifax and Leeds Permanent, announced they would be re-introducing *differential* mortgage rates, charging higher rates of interest for mortgages of over £25,000. Nationwide is expected to follow suit.

This is another indication that the mortgage market is getting tighter despite the massive inflow of funds in July and is a far cry from the situation a year ago. *Then building* societies were offering 100 per cent mortgages and providing funds to furnish, as well as buy, a home—even to non-investors.

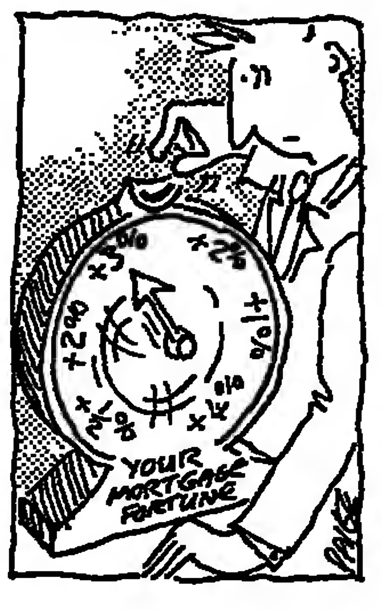
But now that the banks, with the exception of NatWest, are taking on virtually *no new* mortgage commitments, the building societies have been quick to exploit their regained near-monopoly by reintroducing their old restrictions.

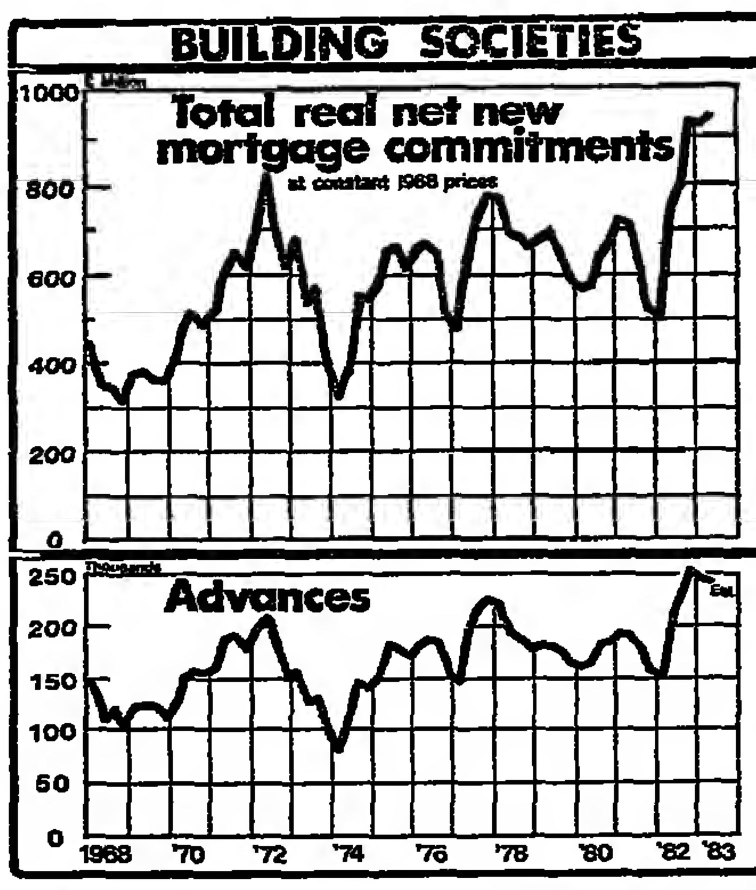
In recent months, mortgage applicants have had to be investors with the society and are fortunate if they receive a 90 per cent mortgage. Only to a *first time* buyer *will* some societies still lend 95 per cent of the purchase price.

Now, with the average price of a home approaching £30,000, a substantial proportion of borrowers will be forced to pay a rate *above* that *officially* recommended by the Building Societies Association.

According to the BSA, the average mortgage now stands at £18,144—or £20,750 on new houses. In the London area, *the average is £23,312 and in* the south east it is £21,103. These two areas account for 31 per cent of the loans advanced by the societies.

Differential interest rates were first introduced by the *societies in 1975 with home-*buyers having to pay more for mortgages over £15,000. This interest rate structure remained in force until 1981 when the larger societies were forced to remove them to ward off competition from the banks which had no interest rate differentials.





But from September 1, in the case of the Halifax, the largest building society, and from October 6 in the case of Leeds Permanent, new borrowers will *have to pay ½ per cent more on* mortgages between £25,000 and £30,000, 1 per cent more on mortgages of between £30,000 and £35,000 and 1½ per cent extra on mortgages over £35,000.

First time buyers using the Halifax will not have to pay the higher rate for the first year of their loan. Nationwide, the third largest, is also expected to re-introduce differentials, possibly in 10 days.

Abbey National, the second in *size, has maintained* interest rate differentials even during the battle with the banks. But last month it increased the number of interest rate bands from two to four.

Its present structure is broadly similar to those announced by the Halifax and the Leeds Permanent except that it charges 2 per cent more for mortgages over £40,000.

Among the "big five," which provide more than half all home loans, this leaves the Woolwich *as the only building society* with no differential rates. The Woolwich, which claims to have been the last to introduce differentials, in 1980, and the first to remove them, in November 1981, says it has no plans to reintroduce them. By contrast, nearly all the smaller societies have always operated a differential structure. *Some of* their higher rates become effective at a threshold as low as £12,000.

The building societies' justification for reintroducing the differential is that they are having to pay more for their funds to attract investors away from Naional Savings and other savings media. The latest in a series of premium rate offers for investors is to be launched next week by the "big five," along with Gateway Building Society and the Alliance. These will pay 9 per cent, net of the standard rate of tax, equivalent to 12.86 per cent gross, for a two-year investment.

The societies reckon that such funds will actually cost them 12 per cent on a flat rate basis, before adding on manage*ment fees and commissions.*

It makes no commercial sense to charge more for larger mortgages which cost less to service. Indeed foreign banks, such as Bank of America, will only lend sums of over £30,000 for house purchase. *Such loans* are normally considered a better risk.

But the building society movement argues that as non-profit-making mutual societies they must discriminate in favour of the less-well-off, and the first time buyers who borrow at the lower end of the market.

The same reasoning, however, cannot be used to justify the re-imposition of other restrictions. The argument that societies want to see borrowers put up some of their own funds as an indication of their own financial commitment to the purchase did not matter much a year ago, so why should it now? The more honest reason is that it is a form of rationing available funds.

INSURANCE

Death of the offshore salesman

A look at new Government plans to clamp down on the selling of offshore insurance polices in the wake of a series of scandals

THE DEPARTMENT of Trade and Industry seems determined to prevent insurance policy-holders losing their money in a repeat of the crash of Signal Life and Cavendish Life by adopting the drastic expedient of ending all marketing by offshore insurance companies in the UK.

The department has outlined two methods of achieving such a result in a confidential document which has been circulated among the main insurance industry organisations.

One proposed course of action would be effectively to prohibit all advertisements by unauthorised insurance companies. At present these offshore companies can advertise, if they conform to rigid guidelines. *The advertisement must include* a warning that in the event of a collapse, the contract would not be covered by the 1975 Policyholders Protection Act.

But the DTI proposals envisage a wider definition of "advertisements," as laid down in the 1982 Insurance Companies Act, to include virtually all forms of promotion.

This would cover holding seminars and talking to insurance intermediaries around the country, by using a UK marketing company, which was a non-insurance company and thus not subject to insurance legislation. Thus, even oral persuasion is included in the definition of "advertisement."

A second and more drastic course would be to prohibit the soliciting of business by unauthorised insurers. The document states that "intermediaries acting as accomplices to an insurer to evade *the prohibition* would commit an offence."

The proposals are aimed at the insurance companies registered in one of several British West Indian islands or other free-and-easy offshore centres. *The document does not specify* what the treatment should be of companies registered in the Isle of Man, the various Channel Islands and Gibraltar. Signal Life and Cavendish Life were both registered in Gibraltar.

The department is not proposing to adopt the ultimate sanction of banning the sale by offshore insurance companies of their products in the UK. This could be construed as interference with consumer choice and anyway such action is not really necessary.

Under the new proposals, a UK investor could still buy an "*insurance policy*" with an offshore company. But he would have to contact the registered office of the company concerned directly—and the proposals make it unlikely that the investor would ever hear of the *company or its products.*

The proposals raise a host of issues, from whether they infringe the freedom of insurance services, or the policing of the restrictions if they become law to whether *they are in line* with the EEC directive on the subject.

The DTI admits that it has not considered the policing of such restrictions in detail. Presumably it considers the penalties for breaking any law, *up to two years'* imprisonment would be a sufficient deterrent. Doubtless competitors would be willing to inform on an intermediary who has broken the law.

The DTI is in something of a *hurry, since there is a bill* currently on the stocks to revise insurance contract law, to which this proposal could be added. It is seeking reactions by the beginning of September.

One consolation: whatever happens, journalists will still be permitted to write on offshore insurance companies.

Eric Short

The Association of Investment Trust Companies

THE INVESTMENT TRUST TABLE

The figures in the columns below are based on information supplied by the companies named, which are members of The Association of Investment Trust Companies. The figures are unaudited.

Columns (1)–(6): *as at close of business on Monday 22nd August 1983*; columns (7)–(11): *as at 29th July 1983*

Total Net Assets (1) £million	INVESTMENT POLICY Trust (2)	Management (3)	Share Price (4) pence	Yield (5) %	Net Asset Value (6) pence	Geographical Spread: UK (7) %	Nth. Amer. (8) %	Japan (9) %	Other (10) %	Gearing Factor (11) base=100	Total Return on N.A.V. over 5 years to 29.7.83 (12) base=100
	CAPITAL & INCOME GROWTH										
90	Aberdeen	Independently managed	128	4.9	172	65	30	3	2	105	219
335	Alliance Trust	Independently managed	475	3.8	652	39	46	9	6	96	237
53	Anglo Scottish	Gartmore	112	3.2	147	46	46	2	6	103	244
70	Bankers	Touche, Remnant	126	4.5	179	59	27	9	5	100	249
169	Border & Southern	John Govett	116	3.7	169	44	26	20	10	105	212
58	British American & Gen.	Kleinwort Benson	83	4.5	106	54	37	5	4	104	215
240	British Investment	Independently managed	250	6.1	377	50	40	9	1	86	212
60	Brunner	Kleinwort Benson	63ac	4.1	81ac	48	41	5	6	99	258
45	Cardinal	F & C Management	138ac	3.8	177ac	54	24	6	16	105	234
68	Charter Trust & Agency	Kleinwort Benson	61	4.3	83	54	33	8	5	105	232
100	Continental & Industrial	Schroder Wagg	415	4.9	575	51	45	–	4	103	236
134	Drayton Premier	Montagu	272	5.8	425	59	23	14	4	93	†
371	Edinburgh Investment	Independently managed	93	3.4	121	43	42	9	6	99	287
97	First Scottish American	Independently managed	198	3.7	263	42	41	15	2	107	220
70	Fleming Universal	Robert Fleming	210	4.6	319	60	26	6	8	99	212
427	Foreign & Colonial	F & C Management	97	3.3	139	43	30	20	7	114	238
45	General Consolidated	Philip Hill	174	5.7	239	58	37	–	5	100	246
41	Glasgow Stockholders	Gartmore (Scotland)	133	2.7	165	43	47	1	9	106	236
504	Globe	Electra House Group	193	6.1	278	65	21	6	8	100	198
251	Philip Hill	Philip Hill	177	6.1	255	71	25	–	4	99	241
7	Jos Holdings	Kleinwort Benson	94	4.4	110	64	33	3	–	102	250
20•	London & Lennox	Gartmore	88	3.3	107	37	53	4	6	101	232
56	London & Lomond	Gartmore	95	3.2	123	44	49	3	4	112	246
25	London & Strathclyde	Gartmore	133	2.4	157	50	41	2	7	111	274
33•	Meldrum	Gartmore	127	4.3	163	73	27	–	–	93	299
21	Moorside	Rivermoor	91	5.5	105	47	44	5	4	96	183
65	Nineteen Twenty-Eight	Philip Hill	143	5.2	174	51	44	–	5	99	216
115	Northern American	Independently managed	222	3.5	292	41	42	15	2	108	226
75	Outwich	Baring Brothers	93	3.7	130	55	23	12	10	110	213
60	Pentland		285	3.4	342	52	35	5	5	95	†
98	Raeburn	Lazard Brothers	230	5.1	349	51	33	9	7	97	215
62	*River & Mercantile*	*Rivermoor*	102	5.9	127	53	27	6	14	98	249
34	River Plate & General	Percy Tarbutt	160	5.4	213	67	16	1	16	103	231
332	Scottish Mortgage	Baillie, Gifford	268	3.1	359	27	42	23□	8	105	254
158	Scottish National	Gartmore (Scotland)	164	3.2	230	51	36	6	7	106	231
104	Scottish Northern	*Paull & Williamsons*	*109*	*4.0*	152	58	36	3	3	*105*	215
112	Second Alliance	Independently managed	406	3.6	569	40	46	9	5	97	239
111	Securities Trust of Scotland	Martin Currie	82	4.8	123	55	34	9	2	112	207
365	TR Industrial & General	Touche, Remnant	108	4.2	161	44	23	24	9	104	225
285	Witan	Henderson	112	2.9	163	45	30	14	8	105	259
	United Kingdom										
9	City of Oxford	Hambros Bank	160	5.2	200	97	1	–	2	94	242
25	Fleming Claverhouse	Robert Fleming	176	5.6	250	98	2	–	–	100	265
23	New Court	N M Rothschild	310	6.0	426	97	1	–	2	105	†
4	Shires	Independently managed	176	9.6	176	100	–	–	–	79	151
81	TR City of London	Touche, Remnant	116	6.7	165	89	8	–	3	100	225
64	Temple Bar	Electra House Group	83	7.2	109	94	5	–	1	98	211
	CAPITAL GROWTH										
	General										
171	Anglo-American Securities	Morgan Grenfell	201	3.6	290	40	30	20	10	104	228
48	Ashdown	Schroder Wagg	320	3.1	432	46	39	7	8	91	233
6	Atlanta, Baltimore	Independently managed	136	1.2	158	62□	38	–	–	75	†
155	Atlantic Assets	Ivory & Sime	100	0.4	126	26□	70	–	4	90	407
62	Broadstone	Schroder Wagg	400	2.8	444	46	46	5	3	91	220
109	Edinburgh Amer. Assets	Ivory & Sime	210	0.6	231	10	80	6	4	109	297
61	Electric & General	Henderson	212	1.9	289	56	34	7	3	99	253
19	*Greenfriar*	*Henderson*	392	0.8	486	48	30	8	14	100	368
117	Merchants	Kleinwort Benson	79	4.1	106	50	37	8	5	97	234
200	Scottish Eastern	Martin Currie	116	4.1	173	47	37	11	5	112	206
154	U.S. Debenture Corp.	GT Management	172	5.4	214	56	36	8	–	105	193
	International										
62	Berry	GT Management	280	0.9	306	37	32	17	14	121	324
53	Bishopsgate	Hambros Bank	138	3.6	197	52	40	6	2	112	233
13	British Industries & Gen.	Montagu	250	2.9	248	44	19	28	9	96	†
88	English & New York	Kleinwort Benson	79	3.9	103	40	50	3	7	99	223
62	English & Scottish	Gartmore	112	2.6*	151	42	44	5	9	102	293
9	F & C Eurotrust	F & C Management	82	2.6	100	9	2	–	89	110	153
152	Fleming Overseas	Robert Fleming	238	4.2	342	20	40	23	17	91	220
20•	Group Investors	Gartmore	207	2.3	264	38	53	7	2	102	303
100	Hambros	Hambros Bank	116	4.2	161	52	38	4	6	110	236
166	Investors Capital Trust	Independently managed	180	2.7	237	29	52	12	7	97	225
16•	London & Gartmore	*Gartmore*	*260*	*0.8*	*311*	24	54	3	19	*109*	304
7	Mid Wynd International	Baillie, Gifford	93	2.8	124	13	41	31□	15	95	†
134	Monks	Baillie, Gifford	116	3.0	158	26	38	28	8	99	247
167	Murray Clydesdale	Murray Johnstone	70	2.8*	100	33	54□	8	5	102	222
45	Murray Glendevon	Murray Johnstone	230	1.9	297	36	38□	16	10	119	221
59	Murray Northern	Murray Johnstone	119	2.4*	164	13	12	27□	48	116	211
173	Murray Western	Murray Johnstone	86	3.2*	122	27	52□	8	5	95	218
55	North Atlantic Securities	Morgan Grenfell	220	1.8	251	–	59	30	11	98	240
23	Northern Securities	GT Management	405	1.8	510	47	26	13	14	127	292
80	Romney	Lazard Brothers	191	3.3	268	30	39	20	11	99	230
261	Scottish Investment Trust	Independently managed	193	3.5	280	25	43	20□	12	102	218
67	Trans-Oceanic	Schroder Wagg	143	2.5	182	29	60	6	5	97	231
55	Tribune	Baring Brothers	158	3.2	216	22	42	15	21	91	242
	North America										
110	American	Edinburgh Fund Mgrs.	97	3.5*	129	28	72	–	–	99	226
81	Fleming American	Robert Fleming	398	1.5	475	2	97	–	1	95	217
23	Montagu Boston	Montagu	108	1.7	123	1	99	–	–	104	204
126	Stockholders	John Govett	216	2.5	283	18	78	2	2	110	213
69	*TR North America*	*Touche, Remnant*	*148*	*3.1*	*195*	*10*	*90*	–	–	110	253
	Far East										
19	Drayton Far Eastern	Montagu	89	1.4	106	5	1	65	29	97	†
132	*Fleming Far Eastern*	*Robert Fleming*	222	*1.0*	253	2	–	71	27	104	244
127	Lake View	John Govett	205	3.0	273	27	6	40	27	106	215
5	New Australia	Edinburgh Fund Mgrs.	86	2.1	91	–	–	–	100	117	†
29	TR Australia	Touche, Remnant	168	3.0	205	15	–	–	85	102	218
82	TR Pacific Basin	Touche, Remnant	185	1.5	224	5	4	70	21	104	225
	Japan										
19	Baillie Gifford Japan	Baillie, Gifford	175	0.3	190	–	–	100	–	92	†
40	Crescent Japan	Edinburgh Fund Mgrs.	564	0.4	592	–	–	100	–	101	239
115	Drayton Japan	Montagu	278	1.5	332	3	4	87	6	105	†
62	Fleming Japanese	Robert Fleming	357	0.7*	399	3	–	97	–	109	246
45	*GT Japan*	*GT Management*	549	1.3	583	–	2	95	3	125	274
	Japan (cont.)										
12	Japan Assets	Ivory & Sime	39	0.4	41	–	–	100	–	96	†
25	New Tokyo	Edinburgh Fund Mgrs.	223	0.0	247	–	–	100	–	98	†
	Commodities & Energy										
6•	City & Foreign	Montagu	104	1.4	144	2	98	–	–	90	†
†	New Darien	Hodgson Martin	67	0.6	†	†	†	†	†	†	†
19	Precious Metals	J. Rothschild	123	0.6	155	13□	57	1	29	90	†
96	TR Natural Resources	Touche, Remnant	216	4.6	317	50	30	1	19	101	206
64•	Viking Resources	Ivory & Sime	93	1.4	120	33□	65	–	2	106	287
13	Wemyss	Edinburgh Fund Mgrs.	474	6.0	585	41	30	–	29	90	178
24	Winterbottom Energy	Baillie, Gifford	67	1.4	93	5	92	–	3	100	160
	Technology										
70	Fleming Technology	Robert Fleming	262	2.3	352	44	39	16	1	100	265
96	Independent	Ivory & Sime	320	0.2	342	14□	81	–	5	90	†
234	TR Technology	Touche, Remnant	145	3.3	207	36	39	20	5	105	255
	INCOME GROWTH										
201	British Assets	Ivory & Sime	150	4.8	206	33	59	–	8	103	231
15	Lowland	Henderson	166	4.3	196	84	7	2	7	99	328
103	Murray Caledonian	Murray Johnstone	79	8.0*	99	58	27□	6	9	104	219
	SMALLER COMPANIES										
51	Alliance Investment	F & C Management	75ac	3.0	95ac	51	27	15	7	122	259
28	English & International	Montagu	177	4.8	248	56	30	8	6	105	†
9	Family	Kleinwort Benson	150	6.0	203	92	5	–	3	99	230
17	*Fleming Fledgeling*	*Robert Fleming*	104	3.1	134	76	20	2	2	98	341
28	General Scottish	Edinburgh Fund Mgrs.	103	4.3	138	49	36	15□	–	93	285
24	General Stockholders	John Govett	228	2.6	324	28	62	4	6	105	201
20	London Atlantic	Investors in Industry	128	5.9	171	66	17	–	17	91	222
15	London Prudential	Kleinwort Benson	182	4.3	231	64	25	7	4	93	240
12	Moorgate	Philip Hill	202	6.2	244	93	3	–	4	102	268
13	North British Canadian	Investors in Industry	136	5.6	187	90	4	–	6	101	250
38	St Andrew	Martin Currie	258	3.7	323	55	32	7	6	98	216
174	Scottish American	Stewart Fund Managers	194	3.5	265	40	50	4	6	115	250
133	TR Trustees Corp.	Touche, Remnant	93	4.9	142	65	26	3	6	105	227
92	Throgmorton	Throgmorton Inv. Man.	165	5.6	212	100	–	–	–	102	253
	SPECIAL FEATURES										
45	Ailsa	J. Rothschild	67	3.9	89	32	40	17	11	93	†
119	Drayton Consolidated	Montagu	216	5.5	340	60	24	9	7	95	†
22	*Fleming Enterprise*	*Robert Fleming*	156	6.6	221	100	–	–	–	97	238
219	Fleming Mercantile	Robert Fleming	91	4.3	136	44	34	8	14	102	248
18	GT Global Recovery	GT Management	106	4.7	117	32	46	16	6	144	†
60	General Investors	F & C Management	129	4.0	172	53	22	6	19	106	238
140	London Trust	Rivermoor	75	7.1	112	64	21	–	15	102	186
316	RIT and Northern	J. Rothschild	230	4.1	266	35□	30	12□	23□	88	263
10	Stewart Enterprise	Stewart Fund Managers	37	1.5	53	32	56	7	5	121	†
62	TR Property	Touche, Remnant	103	3.9	135	71	15	3	11	100	191
17	Yorkshire & Lancashire	Stanecastle Assets	42	–	39	89	8	3	–	156	†
	SPLIT CAPITAL (z)										
17	Altifund	Gartmore	319	0.2	441	93	2	2	3	117	277
3	Child Health Research	GT Management	257	–	304	50	20	24	6	101	†
27	City & Commercial	Montagu	372	–	602	91	4	4	1	125	245
23	Dualvest	Montagu	685	–	924	89	9	1	1	121	†
22	Fundinvest	Montagu	182	–	285	90	5	4	1	124	†
2	Marine Adventure Sailing	GT Management	160	–	200	51□	25	18	6	98	†
26	New Throgmorton	Throgmorton Inv. Man.	24	–	64	99	–	–	1	191	†
8	Rosedimond	Hambros Bank	180	–	204	100□	–	–	–	–	155
21	*Save & Prosper Linked*	Save & Prosper Group	139	–	328	100	–	–	–	138	181
†	Throgmorton Sec'd Growth	Throgmorton Inv. Man.	197	–	†	†	†	†	†	–	†
61	Triplevest	Montagu	439	–	788	85	10	3	2	129	†

NOTES TO THE TABLE

† No data.
* Applies to Ordinary/"A" Ordinary only.
a Does not include special dividend.
□ More than one quarter in non-equity investments.
(z) Capital shares.
• More than 20% in securities or other assets included at directors' valuation.
ac Adjusted for scrip issue.
ar Adjusted for rights issue.
(q) Published quarterly.

(a) Cols. 1, 4 to 6 Figures supplied by Wood Mackenzie & Co. members of The Stock Exchange. The *figures in Cols 1 & 6* are simulated to date shown based on latest valuation supplied by the companies and made available to The Stock Exchange.

(b) Col. 11 The gearing factor indicates the percentage amount by which the net *asset value per share would rise if the* value of the equity assets increased by 100 per cent. Further explanation is given in the booklet 'More for your money.'

INDICES OF FIVE YEAR TOTAL RETURN

+Investment Trust Average	238
F.T.-Actuaries All Share	244
* Standard & Poors Composite	164
* *Tokyo New Share Exchange*	111
* Capital International World	145

+Excludes split capital.
* *Adjusted for exchange rate changes.*

Additional explanatory notes are available on request from The Secretary, The Association of Investment Trust Companies, FREEPOST, London EC2B 7JJ. Tel: 01-588 6347.

PROPERTY

Water, water everywhere

BY JUNE FIELD

THE TRAINS rattled along by Kew Bridge, and there were occasional aircraft overhead.

The occupiers of the pretty little town houses on Magnolia Wharf in Chiswick's Strand-on-the-Green sat unconcernedly on their terraces overlooking the river, sipping their evening drinks.

"We hardly notice such things any more," one owner told me, indicating that it was a small price to pay for the magnificence of the view.

Moorhens frolicked merrily near the boats on the vast sweep of water the other side of the narrow towpath; and outside the nearby 15th century pub The City Barge, where the Lord Mayor's of London's barges used to moor, pigeons competed with sparrows for tit-bits.

As Suzanne Ebel and Doreen Impey observed in London's Riverside (William Luscombe 1975), either the village is very sheltered, or it has a gardening tradition borrowed from Kew.

Peach trees, passion flowers, figs, vines and mimosa grow well; and a period house on the wharf, which was on the market last year through Knight Frank and Rutley in excess of £180,000, had a large weeping willow in its courtyard.

Currently for sale in a part of the terrace built some 20 years ago, is a charming three-bedroom, two-bathroom house with a plant-filled riverside balcony, patio and a conservatory on the roof. It is £130,000 through Harrods Estate Office, 12 Brompton Place, SW3 (01-589 1490).

Close by is Chiswick Staithes, where residents of a terrace of four-bedroom houses built in the 1960s, have the use of an apron for parking boats, and a hoist to the river.

Two houses are for sale at £98,500 and £102,500 through Ian Homersham, John D. Wood, 162 Kensington Church Street, W8.

The Carlians development at Church Wharf, Chiswick Mall, overlooking one of the Thames' finest reaches, took a little while to get under way when it was first launched in November 1981.

"It was difficult for people to imagine what the finished product would look like," Carlians' managing director Barry Reed admits.

Now six of the first phase of seven terraced houses are sold and the last, the showhouse, is available fully furnished at £170,000.

Viewing is 11-5.30 daily including the Bank Holiday, and Sundays 2.30-5.30. Brochure giving details of the new phase being built from Mr Reed, Carlians, 61(h), Eaton Square, London SW1.

From living by the riverside to living by the seaside.

In the early 18th century "Sowthende" (the south end of Prittlewell in Essex), just had a few huts on the foreshore for the fishermen who tended the oyster feeding grounds.

It was not until 1791 that a syndicate was formed to develop a resort. New Southend, and The Terrace, within a few minutes walk of the seafront, was built.

It became Royal Terrace after the Princess of Wales stayed in numbers 7, 8 and 9. The three-storeyed houses with their lacey cast-iron verandahs were called "a period piece which does not seem yet to have been discovered," in *Essex*, one of the notable volumes in the remarkable *Buildings of England* series by Sir Nikolaus Pevsner who died last week.

Number 3 Royal Terrace, fully modernised, with splendid views over the Thames Estuary and Kentish Coast, is for sale at £125,000 freehold through David Watson, Bairstow Eves, 80 Rectory Grove, Leigh-on-Sea (0702 710393). They are open seven days a week, including Bank Holiday.

Not far from their office they have what they call fishermen's cottages for sale, which are pleasantly "prettied-up" two up and two down houses; one is £32,650, with estuary views, another is £34,500 with sea glimpses. While in Westcliff, close to the sea front, a two-bedroom flat can be bought for £19,000.

For a copy of the firm's new "Property View," which covers their 63 offices, contact Judy Terry, Bairstow Eves, 29 Springfield Road, Chelmsford, Essex.

Going west, 23 acres of pasture sloping gently towards the Beaulieu River surround Keeping House and equestrian centre at Buckler's Hard, Hampshire. The owner is Ken Gray, who between 1968 and 1972 owned Rhinefield House, one of the most handsome properties in the New Forest, which was recently bought for around £½m by local businessman Alan Nicholas, who wants to turn it into an hotel.

Mr Gray, also known for rescuing Carola, oldest sea-going steam yacht in the world, which steams the Solent and Beaulieu River, is moving on again, and Keeping House is for sale at £300,000.

Jeremy Stanley-Smith, Fox and Sons, 85 High Street, Lymington, Hants (0590 75424), is the agent, open today and Bank Holiday.

I re-read Daphne du Maurier's *Frenchman's Creek*, which was first published in 1941, after I saw The Ferry Boat Inn on the Helford River, near Falmouth this week.

It was part of the setting for her novel, and "all the drowsy beauty of midsummer that gives Helford River a strange enchantment," came to life.

David Niven, who spent a delayed honeymoon there in 1945, felt the same. In a letter of May 6 from Cap Ferrat, not long before he died, to St John Hartnell, partner in estate agents Hartnell Taylor Cook, he wrote: "It was so beautiful down there . . . (and) an oyster man rowed by and stopped and opened a dozen which we ate waist deep in water! I hope someone nice buys it. God defend us from a hot-shot developer."

For the inn where "time" is called by an old ship's telegraph, and its adjoining holiday complex, goes to tender on September 28, on a price guide of £500,000 to £750,000.

There are also three lots of individual houses converted to apartments, which could be in the region of £100,000 to £150,000 each. Full illustrated documentation £5 from David Harvey, Hartnell Taylor Cook, 20 The Mall, Clifton, Bristol.

The Ferry Boat Inn, Helford River, Cornwall, takes it name from the service which plies from the inn to the village. There has been a crossing since the 15th century, and the right to operate a ferry is included in the sale of the inn and holiday complex which goes to tender on September 28. Details David Harvey, Hartnell Taylor Cook, 20 The Mall, Clifton, Bristol 8S8 4 DR.

Number 3 Royal Terrace, Southend-on-Sea (centre), listed Grade II, within a few minutes walk of the seafront, overlooking the Thames estuary and Kentish coast, for sale at £125,000 through David Watson, Bairstow Eves, 80 Rectory Grove, Leight-on-Sea, Essex (0702 710393), who are open 7 days a week, including Bank Holiday.

Venice of the North

BY OSSIA TRILLING

WHOEVER NICKNAMED Stockholm the Venice of the North was obviously thinking of the waterways and the ferry boats, familiar from 18th-century engravings. Today all that is changed, what with urban motorways, bridges and the marvellous subway system, that also functions as a network of anti-nuclear air-raid shelters, and a site for permanent graffiti, some painted by artists to a plan, others more likely perpetrated by socially dissenting (and disfiguring) amateurs. Never mind. The Swedes have always boasted of their artistic bent, and Stockholm is a museum of the living arts.

The city authorities make it easy for visitors, and cheap. Long-stayers are well advised to acquire the "Key to Stockholm" card, which ensures free admission to museums and scores of visitable places, free tours, public transport and the like. The cards are valid for periods from one to three days and range from 50 crowns (about £4) for adults and 30 crowns (£2.50) for children, to 105 and 60 respectively. The free city guide that goes with the "Key" tells you that the best way to see Stockholm is from the waterways. True. Though you can also, for instance, visit the Royal Palace at Drottningholm with its fabulous 18th-century Court Theatre and the surrounding parks, by car, or coach, or public transport, there is nothing to compare with the 60-minute boat-trip, especially if you make the trip at mealtimes, when food, of course, and drinks, have to be paid for as extras.

Drottningholm also has its nickname: Sweden's Versailles. Built on an island — one of countless islands in the Stockholm archipelago—it is the site of the 17th-century former Royal Summer Residence, that today houses the Royal family, having been modelled on its French prototype. Most of the interiors can be viewed, but the real jewel, apart from the Chinese pavilion, and the French and English gardens, one of them with an open-air stage, is the Court Theatre of 1766, and its Theatre Museum, rehoused since last year in the Queen's Pavilion and birthplace of the tennis-playing Gustav V.

TRAVEL

We saw three ships . . .

BY ARTHUR SANDLES

CRUISING is no holiday for the down-at-heel. Even at its humblest levels the sheer cost of pushing thousands of tons of metal through the water helps to make the basic price one that tempts those of deeper pockets than the norm. Within the ranks of this elegant trade, however, there are levels of sophistication. We look at three ships which aim at the creme de la creme where, in theory, nothing is too much bother and everything is of the best. Royal Viking Line's Royal Viking Sky, Cunard's QE2 and P & O's Sea Princess.

IT IS quite extraordinary the way in which the Russians seem determined to live up to their CIA promoted image. This time I sidled into the Soviet Union through Leningrad, gently wafting up the Neva estuary on a balmy morning aboard the Royal Viking Sky. At other ports of call the rush ashore started within minutes of docking. In Leningrad there were, of course, the queues, the close inspection of each face to ensure that it matched the passport picture, the baggage check as you enter. In my case the customs man even flicked through my Berlitz guide to the city page by page (hidden dollars? dirty pictures? Minileaflets to be scattered to the soviet winds? Who knows). But eventually you are in. "My name is Tanya. I welcome you to Leningrad . . . ."

It is a bakingly hot weekend, even Russia has suffered the stifling weather enjoyed and endured by much of the northern hemisphere this year. The contrast between the ship and the shore could not be greater. In the evening (after my bath, of course) we sip our drinks and gaze out from capitalist decadence to the socialist mecca. It is not for us to question that abroad our Norwegian registered vessel the class gap between staff and passengers seems not to exist, while onshore social differences seem obvious and inexplicable.

At other ports we could invite locals aboard for a drink in our bars, a walk around our decks. But not in Leningrad, where the checking on getting off was only exceeded by the checking on getting back aboard again.

Had they been able to come on board Soviet visitors would have seen a ship designed to meet the needs of today's top-of-the-range cruise market. Royal Viking Line's ships, the Sky, the Sea and the Star are in effect identical (except that the Sea is two feet shorter than the others), the idea being that repeat customers will not get lost, whichever ship they are on.

On a well-booked cruise, and most of them are, any one of them will have 600-700 passengers on board. It is a nice comfortable number, enough to make acquaintances and lose them if necessary, enough to give variety in the course of a trip.

Cabins are of a high standard, the 'phones work and the staff seem eager and helpful. My own cabin stewardess, Ingun, burst in upon me on my first evening aboard thanks to shower noises which masked her tap at the door. I blushed, she giggled, and from then on we were friends. She brought coffee when I needed it, adjusted quickly to my eccentric hours and gave sound advice on ports of call: "Do not bother with Leningrad, it is no fun. Save yourself for Helsinki." With such words are the wonders of the Hermitage dismissed.

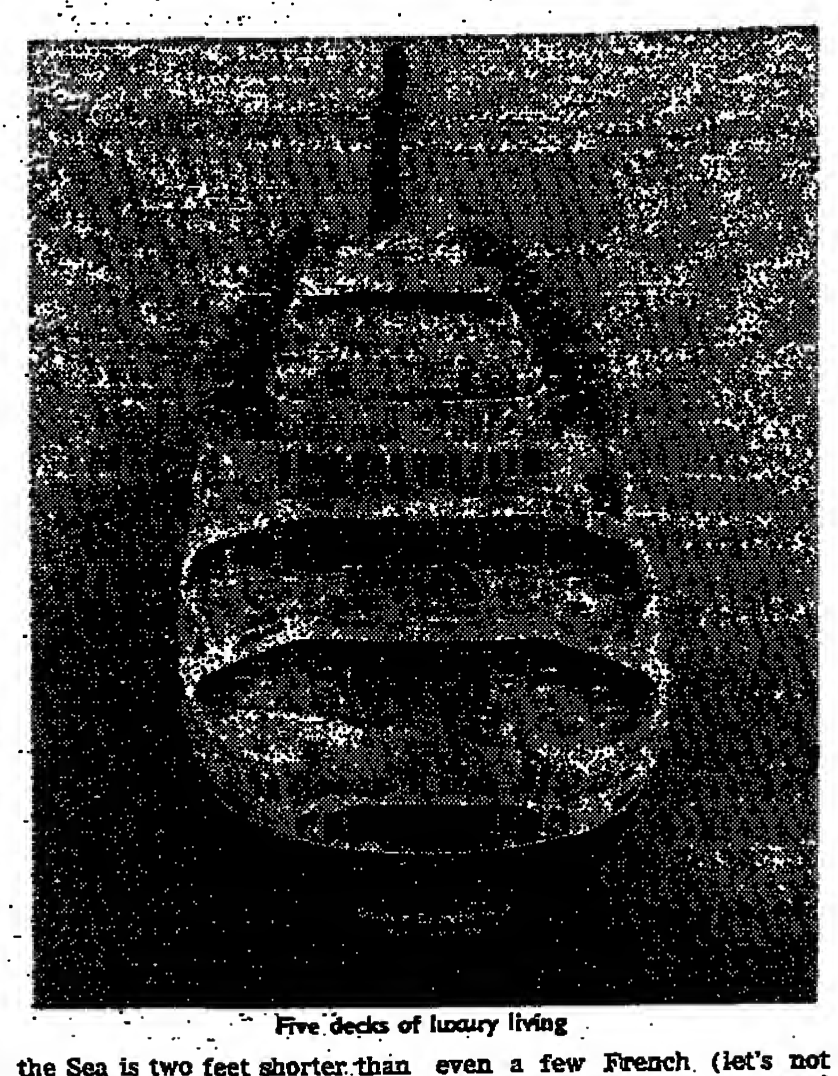
Fellow passengers on the Royal Viking ships, as on most cruise vessels, tend to be middle aged, middle class and middle brow—which is what most of us are if we care to admit it—and American. On my voyage there was a peppering of British, Scandinavians, Germans and even a few French (let's not ask questions about travel allowances).

The mood is, above all, relaxing. There is time to read, to chat, to watch films, to stare out at the sea and to drink. Meals tend to be unhurried and, to be honest, unexciting. My dreams of mountains of esoteric fish dishes conjured by Scandinavian chefs were somewhat shattered.

The great plus about ships such as these is that they usually offer facilities vastly superior to those available ashore at the same price, and offer the advantage of travel without the problems of packing and unpacking.

It is immensely comfortable. The Royal Viking ships seem to offer, either in reality or by clever design, enormous space. I did eventually adjust to the morning round of what appeared to be hundreds of American joggers making their way puffingly around the decks each day, and blessed the designer who tucked the casino away in such a manner as to make it available to those who wanted it, and unobtrusive for those who did not.

Royal Viking ships cruise the world and can be thoroughly recommended. So, if you survive the red tape, can Russia.



Five decks of luxury living

Back from the Falklands

THE SHEER size of the QE 2 can be intimidating at times. It takes a few days to work it out. At first you spend your time dashing up the wrong staircases, emerging on the wrong decks and struggling to find your way back to your cabin. Eventually you crack the system, but by then you may well be packing to get off.

This atmosphere of being in a small town rather than a large ship can, on a long trip, be extremely pleasant. There are always new people to meet and even new places to see. These days it does not necessarily help to be an old Cunard hand. She is repainted, refitted and re-carpeted after her Falklands exploits, which makes it all very confusing.

The size of the ship makes it difficult to talk of the QE 2 as one experience. There are, for example, four restaurants, and passengers are allocated to them according to their cabins. Personal choice would send me to the Princess Grill or the Columbia. The top of the line, however, is the Queen's Grill and the biggest is the Tables of the World.

On cruises the restaurants are the only demarcation areas. For the rest of the activities life tends to split by age and inclination rather than money or social class, with the night life tending to settle in the disco bar or the casino.

For much of the year the QE 2 sails the Atlantic run, when the mood aboard is rather different from when she is cruising. It is quite remarkable how many people, even today, are using the ship simply as a means of transport, thanks perhaps to the lack of baggage allowance worries, a fear of flying, or the sheer pleasure of taking time to get somewhere. On the Atlantic run, therefore, you find families, going to a posting abroad, or returning home after one; business travellers off on a testing trip, or recovering from one; and honeymooners, going somewhere and taking their time.

A cruise, by definition, is less purposeful, its passengers are travelling for the sheer pleasure of the journey.

There is one thing above all that most established cruise enthusiasts are, and that is people who enjoy the voyage at least as much as, if not more than, the places they are visiting en route.

For such devotees the forthcoming world cruise by the QE 2 in the New Year, is a gem. It contains, for example, one mouth-watering seven land-less nights of a voyage in the Pacific in February (from Maui in the Hawaiian islands to Yokohama in Japan).

There is more to do aboard the QE 2 than any other ship afloat. And yet the size of the vessel is balanced by the breaking up of the dining and recreational areas, which as a result offer a sense of intimacy which might otherwise be lacking.

Of the luxury liners in the world the QE 2 is one of the few that I would recommend for children or young people. Again the sheer size of the vessel means that there are bound to be others on board of the same age group. On smaller ships I have seen children and young teenagers bored out of their minds while their parents and grandparents bury themselves in Agatha Christie and James Michener.

A.S.

From Venice to camels

"FOR HER, I give you many camels," *joked the toothy young* postcard and souvenir seller near the Giza pyramids. Our daughter, just into her teens, forced a brief grin before strolling off disdainfully.

The day in Cairo on one of the longer excursions from the Sea Princess—part of the P & O cruise fleet—had been hot and exhausting. Alexandria port delays had meant a hurried lunch in Cairo after the drive there. Then came a quick tour of the museum, concentrating on the magnificent relics of Tutankhamen.

Finally, we arrived at the pyramids, which loom rather disconcertingly from the desert right at the edge of the sprawling Cairo suburbs. For gazing in wonder at the marvels of several millenia ago, three-quarters of an hour did not seem quite enough. But the two Achmeds, guide and driver, were eager to speed us back, announcing proudly on our return that we were the first at the quayside.

Still, returning to the ship was like being back in a smug air-conditioned cocoon. From here, we could make sorties into the real world—scruffy Naples, the beauties of Venice, the awe-inspiring but often crowded and dusty ruins of Pompeii, Dephil, and Ephesus, or the monasteries perched vertiginously on the Meteora rocks of central Greece.

We began in Venice, where the ship was unexpectedly moored right up near the city. This was a fly-cruise, with Gatwick the starting point for the trip. The Sea Princess is small enough to be able to sail right into Venice at certain times. To depart, it turns right round at the canal mouth, providing a leisurely panoramic view of this creation of the Doges.

Between leaving Venice and flying home from Athens were interpersed lazy days at sea and the short excursions. For do-nothings—and most of us tend to be at least a little that way on holiday—cruises are ideal. There is the soporific feel of the ship smoothly nosing her way through the calm Mediterranean, the huge and fancy meals which cater as much for the gourmand as for the gourmet, and the range of daytime and nightlife activities from deck quoits to bingo, cocktails to discos.

The Sea Princess, with 750 passengers, has a much more intimate atmosphere than many other well-known cruise ships. She is still establishing her image in the European market against the pull of the bigger and more famous Canberra, P & O's cruise flagship. Previously, she was down in Australia and has now changed places with the older, more sedate Oriana.

P & O has aimed the Sea Princess at an up-market, mature clientele, who can afford her prices and do not necessarily want to disco the night away as she steams beneath the stars. Tom O'Connor, of various TV games fame, provided the night-time humour, managing to raise guffaws from the American as well as the British passengers.

Some of the best times were spent just lazing by the pool or out on deck as the ship slipped by the Mediterranean islands in the sunny haze. As she sailed through the Messina Strait, mainland Italy on one side and Sicily with the distantly smoking Mt Etna on the other, swordfishing boats with their high masts and lookout nests could be seen on each side.

Perhaps the high spot was the sight of Stromboli at night. The Sea Princess steamed slowly round, so passengers could catch the occasional little fiery eruptions and glowing lava flows. Flashlights flickered irritatingly in the background as those not content to enjoy the moment sought to capture it on film.

Andrew Fisher

hips . . .

decks of luxury living

lklands

amels

Lawns too much in the Sun

GARDENING

ARTHUR HELLYER

A GLORIOUS summer for holiday makers has left some very tired looking lawns that are going to need a lot of coaxing back into healthy life this autumn. Where water has been freely available the problems are less obvious but watering is seldom a complete substitute for rain. For one thing mains or well water contains chemicals that are not always beneficial to plants and also it always seems to me that watering, however well done, results in more leaching of plant foods than normal rainfall. Probably it has something to do with the relatively fast rate at which the water is applied which has a scouring effect very different from the slow damping of gentle rain. But whatever the explanation the end product is soil rendered temporarily deficient in some essential nutrients, particularly readily available nitrogen and it is nitrogen that chiefly controls the rate of growth and greenness of grass.

Since all plants only take chemicals from the soil in solution, it is no use applying fertilisers unless there is enough water to dissolve them and carry them down to the roots. Without this the fertiliser will remain on the surface, probably doing harm if there is just enough dew or light rain to dissolve it without proper dilution. So if no means of watering is available, no fertiliser should be given until the weather looks set to give plenty of rain.

Even then I would prefer to deal in half doses, say 2 ozs per square yard of a 7:7:7 fertiliser such as Growmore rather than the recommended 3-4 ozs, and not to give the second half until there has been three or four inches of rain. Similar considerations apply to lawns that can be watered and, since many sprinklers deliver water at the rate of about ¼in per hour, that means six or eight hours watering, not all at one time or much of it will run uselessly off the surface, before a second application of fertiliser can be given with safety.

> It is no use applying fertilisers unless there is enough water to dissolve them and carry them down to the roots. Without this they will remain on the surface.

Someone is sure to point out that it is generally regarded as unsafe to apply nitrogen-rich fertilisers to lawns after mid-August because of the probability that they will produce soft growth in autumn which will fall victim to snow mould or other cold weather fungal diseases. There is truth in that, which is one reason why I have suggested a well balanced fertiliser of the Growmore type rather than the kind of high-nitrogen fertiliser commonly recommended for lawns.

But I think the "no nitrogen after mid-August" dictum applies more to professionally managed turf which has enjoyed a fairly high rate of feeding throughout than to home lawns which often get badly starved. I also think the stopping date of mid-August is over cautious. My experience is that, given reasonable rainfall or watering, the effect of a soluble fertiliser is lost in from six to eight weeks so that no lawn fed with such a fertiliser in mid-August could be expected to go on producing lush growth after mid-October. Weather rarely becomes sufficiently severe to pose any threat to grass until late December which leaves two full months for growth to harden up and become reasonably resistant to winter-active fungi. I doubt that so long a period of ripening is essential.

One difficulty when lawns have become really dry is to stop water running off the surface. Spiking or perforating will overcome this but are almost impossible to carry out effectively until the soil is moist, so one is caught in a dilemma. The solution must usually be to wait until at least the top inch of soil is moist and then spike or perforate to let the water get in deeper as quickly as possible.

I have been very impressed by the way in which rye grass lawns have withstood the heat when finer fescue and agrostis lawns were burning up. At one time rye grass was considered very inferior for lawn making and only to be included in the cheapest mixtures. This has changed completely with the introduction of rye grasses selected solely for their turf making qualities and not for agricultural purposes. I have been using one such selection named Hunter for some time and this year it kept growing when all the fine grases had stopped. It is much shorter and more branching than ordinary perennial rye grass and it makes an excellent close knit lawn ideal for purely visual effects though not suitable for the very true playing surfaces required for bowling or putting or croquet lawns.

However, this summer I have seen an even better rye grass named Elke which has narrower leaves than Hunter, is even shorter and more spreading and yet retains its colour in dry weather just as well. It is a relatively new variety of Dutch origin and it seems unlikely that there will be enough stocks of seed for it to be generally available until 1985 but it is certainly a grass to take note of and try when it does come on the market. Meanwhile, Hunter is good enough to be getting on with.

Wisdom of BMW

MOTORING

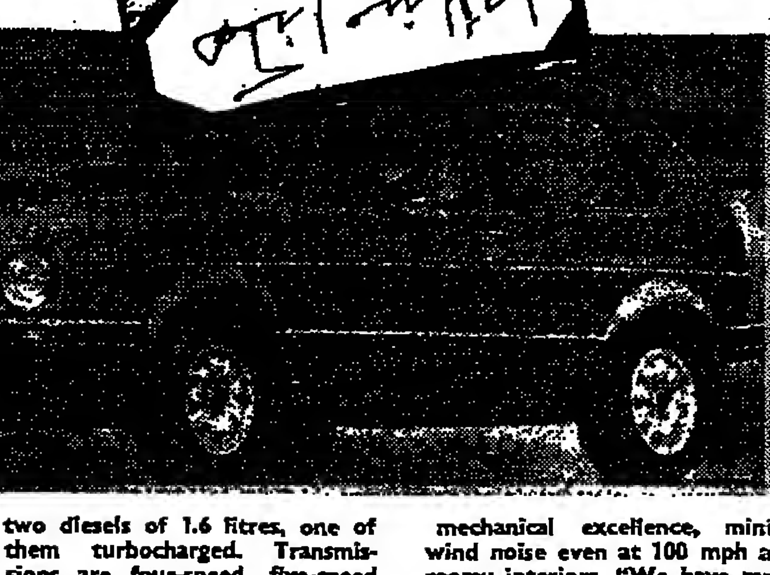
STUART MARSHALL

CONVENTIONAL MOTOR industry wisdom holds that a large car which is to go a long way on a little petrol must have a wind-cheating shape, an engine of modest size and a manual transmission with a ultra-high fifth gear.

BMW begs to differ. Their latest car, the 525e, is sleek without being exactly slippery. It has a 2.6 litre six-cylinder engine which overturns the BMW tradition of producing maximum power at fairly high revolutions. The final heresy is that the fuel saving BMW is an automatic.

The "E" in the car's type number stands for the Greek letter "Eta," used by engineers to symbolise the ratio between fuel burned and energy derived—in other works, its efficiency. Main characteristic of the new engine is that it produces maximum torque (that is, it pulls hardest) at low revolutions. Used in conjunction with a very high rear axle, it saves fuel but involves no real loss of performance.

The 525e has the same 115 mph top speed as the 2-litre 520i and is faster away from a standstill, cutting the 520i's 0-60 mph time by one second to 10.4 seconds. It will reward a driver who is interested in economy with an average consumption in the low 30s.



THE new VW Golf is more or less the same as the old one. It looks like the direct descendant it is but it has more space, more performance and more refinement but uses less fuel. Having sold 6m Golfs in the past nine years—1m of them diesels—VW saw little point in making styling changes for their own sake.

Engines are of 1.3, 1.6 and 1.8 litres capacity—the largest with fuel injection for the GTI—plus two diesels of 1.6 litres, one of them turbocharged. Transmissions are four-speed, five-speed with high economy top or close ratios (the GTI only) or automatic. Subtle changes to the body shape give the new Golf the same aerodynamic drag factor as the Ford Sierra.

Driving three examples of the Golf in Germany last week—the 1.3 four-speed and two 1.6 models with the 4+E gearbox—I was impressed by their mechanical excellence, mini[mal] wind noise even at 100 mph a[nd] roomy interiors. "We have mo[re] rear seat space in the new G[olf] than the Mercedes 190," said [a] senior executive.

Prices are expected to [be] about 4 per cent higher th[an] those of the existing Golfs. T[he] new models, including the turb[o] diesel and a luxury GLX wi[th] power steering, electric windo[ws] and central locking, are due [in] Britain next March.

The automatic transmission has four speeds, top being an overdrive with a mechanical lock to eliminate fuel-wasting slippage in the torque converter. It allows exceptionally high gearing—(33 mph per 1,000 rpm in top) to benefit fuel consumption without making the car feel awkward to drive in town or on winding, hilly roads.

BMW GB managing director Dr Walter Hasselkus sums it up rather neatly. "We have followed the engineering route to fuel economy whereas others have taken the packaging path."

Dr Hasselkus did not mention the Audi 100—the car with the lowest aerodynamic drag factor of any in production—but it must have been in his mind. A comparison of the official fuel consumption figures of the two cars is interesting.

The 2.2 litre Audi 100 with a five-speed economy gearbox has a consumption of 23.7 mpg (urban), 45.6 mpg at 56 mph and 35.7 mpg at 75 mph. The new BMW 525e automatic beats it with 24.6 mpg (urban) and 47.9 and 37.7 mpg at 56 mph and 75 mph. If one compares the 525e with the Audi 100 automatic, the gap widens considerably in the BMW's favour.

Figures are one thing and real life driving is another. It is fair to emphasise the advantage of the automatic BMW against the manual Audi because both cars are aimed at business users in Britain and business motorists tend to go for automatics.

If all of one's motoring were on motorways at speeds that have the constabulary reaching for their radars, the Audi 100 manual would be difficult to improve upon. It wafts along at 70 mph almost noiselessly and, as I discovered on the German autobahn, it is still fairly sepulchral at 120 mph.

The snags of putting an engine of modest size in a large and very high geared car with a manual box appear when you leave the motorway for crowded A roads. Then you discover that to pass a lorry on a slight gradient, you certainly have to drop down to third and may even need second. In dense traffic, the Audi 100 demands a busy hand on the gear lever whereas the BMW 525e drives like any other automatic.

At the moment, Audi does not have a three-speed plus overdrive automatic to match the BMWs. Obviously, Audi will have one soon and then the balance of economy and driveability could move in its favour. Meantime, BMW seems to have an edge in the economy executive car stakes.

The fuel saving benefits of extremely high gearing can be outweighed by the need for an undue amount of gear shifting when one isn't on the mo[tor]way. Playing tunes on [a] gearbox, however appealing [it] might be for the young man [in] his XR2, is not what [the] mature executive expects to [do] in his company car.

Eta engine apart, the BM[W] 525e is much the same as a[ny] other 5-series saloon. It co[sts] £11,495, putting it between [the] 520i automatic (£10,595) a[nd] the 525i automatic at £12,5[..].

All BMW cars are enjoya[ble] to drive but I found the 52[5e] exceptionally so, because [the] engine/transmission combi[na]tion makes it feel so effortle[ss]. The automatic tries to get i[nto] high as quickly as possible [to] exploit the engine's massi[ve] low-speed torque.

That is a recipe that allow[ed] American V8s of a few yea[rs] ago to give very good miles-p[er]-gallon figures when driv[en] gently on open highwa[ys]. Where they fell down was [in] traffic.

The BMW Eta engine gets [its] economy from a number [of] features. It has an unusua[lly] high compression ratio of 11[..], long intake manifolds that [fill] the cylinders efficiently wi[th] fuel/air mixture and electron[ic] management for the injecti[on] and ignition systems.

BMW thinks the 525e is t[he] forerunner of a new produ[ct] line, running parallel wi[th] existing and more traditiona[l] tigerish cars. High maximu[m] and cruising speeds sell cars [in] Germany, where they can [be] exploited without falling foul [of] the law. Here, they cannot a[ny] more. It is better for a car [to] be flexible than fast.

Casting in a cat's cradle of confusion

FISHING

JOHN CHERRINGTON

WHEN I STARTED salmon fishing I had little idea of casting either fly or bait. My line was twisted around me every so often in a cats cradle of confusion. I hooked my bottom, my back, even my ear on one occasion, to say nothing of every bush and tree within range. And yet, the astounding used to happen, sometimes I hooked a fish. Over the years, thanks to observing the experts and constant practice — off the river for the most part — my techniques improved. I can now cast a long straight line and control the movements of the fly in the current in the most tempting manner.

But the better my technique the fewer fish I seem to be able to catch. I did hook a salmon on the fly on my excursion to Scotland this June, but after raising my hopes almost to the mouth of the net, he rolled off, and I never touched another fish for the rest of the fortnight. I should say that I hooked him on the third cast of the holiday. I have had two fish on the Wye, both on a Devon Minnow in coloured water and that is the total so far.

A friend who returned to the Scottish river three weeks later came across a great run of fish and had some good luck. But thereby hangs a tale and a moral. The River, the Shiel, has recently had two good runs of summer fish, grilse, and this is believed to have been due to extensive stocking of Loch Shiel by escapees from a salmon farm established there. This proved conclusively that, provided the riparian owners could be induced to overstock the head waters of their rivers with parr and even in this case smolts, there would be a chance that a proportion of the fish that went to sea would return.

This has of course been accepted wisdom for a long time and some owners and river boards do stock their waters. But it is a thankless task because after the notorious depradations of the Greenlanders and Faroese, there are the drift netters and estuarine nets, to say nothing of the poachers who are very strong, particularly on the Welsh rivers.

It is largely a question of money. Hatching and rearing salmon parr is an expensive business. The river authorities do hatch some but, as in the case of the Welsh River Authority, they are dependent on the licence fees. Riparian owners pay heavy rates on their let fisheries but these go to the local authority for general purposes and none of these bodies wishes to lose money for the benefit of wealthy anglars, commercial fishers and foreigners.

A case could be made to induce them to change their minds. It's evident that letting and selling Wye fishing is becoming increasingly difficult and this will become more so, I believe, as catches continue to stagnate or fall further. This could reduce the values of the fishing beats and consequently of the rates that could be levied. There could also be pressure from hotel and other interests who benefit from the money spent by those who indulge in the sport. It is also essential for the river authorities to have enough resources to employ bailiffs to control poaching, which is very serious in some parts.

This is nothing new. The Atlantic Salmon Trust and others have been waging a campaign for a long time but are making no headway at all because in the eyes of the public salmon fishing is for the most part the exclusive sport of the better off. Most country men know who the poachers are, and even the famed mobile gangs could not operate without local support and intelligence.

The only way to get universal support to a change in policy would be to open the rivers to everyone who bought a licence and to control the river and estuary nets and the offshore drift nets as well. Otherwise I don't believe there will be any salmon fishing in my grandchildren's days. No doubt it will be of some satisfaction to the League against Cruel Sports.

Meanwhile I am looking for some way in which my perfected skills in casting and so on can be exercised, rather on the lines of clay pigeon shooting.

CHESS

LEONARD BARDEN

JONATHAN MESTEL won his second British title last week, unbeaten in the Grieveson Grant congress at Southport. Mestel, youngest-ever champion at age 19 in 1976, was favourite after his individual gold medal at this summer's European final and played with the style and assurance of a true grandmaster. It was a formbook result since Murray Chandler, the runner-up, had only just won the GM title at Amsterdam.

Final leading scores at Southport were Mestel 8½ out of 11, Chandler 8, Botterill, Hodgson, Johansen and Rogers (both Australia). Martin and Watson 7½, Bradbury, Cummings, Hebden, Horner and Lawton 7, Barua (India) and Speelman 6½.

Stockbrokers Grieveson Grant, who have sponsored the championship since 1978, provide backing at a level which few if any national chess championships can match as well as taking a lively interest in the games. Without their support and that of Phillips and Drew, it is hard to conceive that British results could have improved so rapidly in recent years. Prizes at Southport went down to 15th place, and another imaginative concept by managing partner John Brew was to encourage entries from leading Commonwealth experts.

The Grieveson Grant plan was to increase the tournament's status and enable British players to qualify for highly regarded international master titles. In the event there were four IM performances, all by competitors with few chances in top world chess, so the decision was well justified. But at one stage the Commonwealth contingent promised a major surprise; at half way Thipsay of India led, with two more Indians and Johansen of Australia in pursuit. An intercontinental play-off looked possible until the experience of Mestel and Chandler told in the final rounds.

Significantly, three of Mestel's six wins came with the black pieces in the Dragon variation of the Sicilian Defence. He has specialised in the Dragon (so-called because the outline of Black's pawn formation resembles the mythical beast) since he was a schoolboy and is a recognised world expert in its complexities. Whereas it is sensible to vary your repertoire when playing White, in-depth knowledge of a single line pays off as Black.

Mestel's Dragon skill induced all his Southport opponents to avoid the main attacking systems for White and go for offbeat systems which proved inferior. This week's game was a turning-point of the championship, played when Thipsay shared the lead with Mestel four rounds from the end.

WHITE: P. Thipsay.
BLACK: A. J. Mestel.
Sicilian Defence (Grieveson Grant British Championship 1983)

The opening moves were: 1 P-K4, P-QB4; 2 N-KB3, P-Q3; 3 P-Q4, P x P; 4 N x P, N-KB3; 5 N-QB3, P-KN3; 6 B-K3, B-N2; 7 B-K2, O-O; 8 O-O, P-QR3.

Unusual compared with 8... N-B3; Mestel plans an early Q-side pawn advance.

9 P-B4, Q-B2; 10 Q-Q2.

Already too passive; best is 10 P-KN4 followed by P-B5 and P-N5 to attack the king and gain central squares for White's knights.

10...QN-Q2; 11 K-R1, N-N3!

Exploiting the lapse; now White has to regroup and lose time to keep his attacking bishop pair.

12 Q-Q3, B-Q2; 13 QR-Q1, QR-B1; 14 P-B5, N-B5; 15 B-B1, P-QN4; 16 Q-N3, Q-B4; 17 Q-R4, KR-K1.

Preparing to meet B-KR6 by B-KR1. White now simplifies tamely, but 18 P-QR3 (to stop P-N5) is countered by NxRP.

18 PxP, BPxP; 19 N-Q5, NxN; 20 PxN, B-KB3; 21 Q-K4, N-N3.

Further increasing the pressure: both White's QP and QBP are threatened.

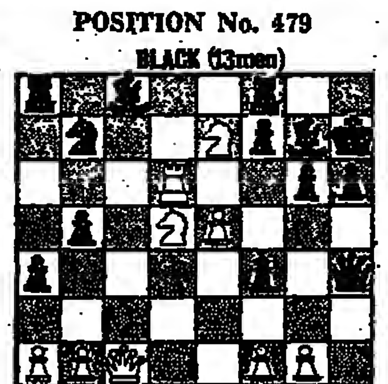
22 N-N3, QxBP; 23 B-Q3, Q-R2; 24 R-B3, N-B5; 25 R-N3, N-K4; 26 B-KB4, NxB; 27 R(N3)xN?

A blunder brings an abrupt end, but if the queen or the other rook recaptures Black has Q-B7 or BxNP when his extra pawn(s) will tell.

27...B-B4; 28 Resigns. Continuing the exchange and a pawn down to a grandmaster is pointless.

POSITION No. 479

BLACK (13men)

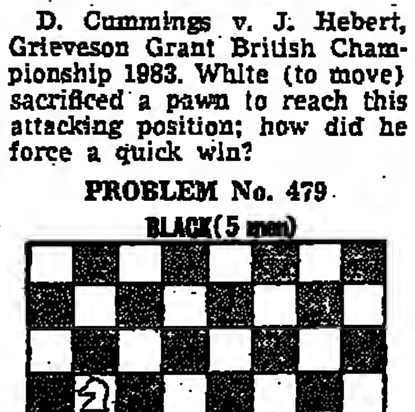


WHITE (12men)

D. Cummings v. J. Hebert, Grieveson Grant British Championship 1983. White (to move) sacrificed a pawn to reach this attacking position; how did he force a quick win?

PROBLEM No. 479

BLACK (5 men)



WHITE (5 men)

White mates in three moves, against any defence (by Dr A. Kraemer). With a black pawn poised to promote (not necessarily to queen) this puzzle requires a drastic white key move to win the day.

Solutions, Page 12

BRIDGE

E. P. C. COTTER

HERE are two hands from rubber bridge, which teach valuable lessons. Look first at the *Entry-making Advanced Finesse:*

```
            N
          ♠ Q 9
          ♥ 10 9 6 2
          ♦ 7 6 5
          ♣ Q J 8 2
   W                  E
♠ J 10 8 7 5       ♠ 6 4 3 2
♥ 7 4              ♥ J 8 5 3
♦ K 10 9           ♦ Q 2
♣ 10 6 4           ♣ K 7 3
            S
          ♠ A K
          ♥ A K Q
          ♦ A J 8 4 3
          ♣ A 9 5
```

North dealt at game to North-South and, after two passes South opened the bidding with two clubs, North gave the negative response of two diamonds, South jumped to three no trumps on his 25 high card points, and all passed.

West led the spade Knave, East dropped the six, and South surveyed the position. He had seven top tricks, an eighth was quickly establishable in clubs, and the ninth might be found in hearts if the suit broke 3-3. Declarer cashed his three hearts, but East turned up with the guarded Knave. He then turned his attention to clubs. He played Ace and another club, putting up dummy's Knave, but East naturally withheld his King, and the contract failed by one trick.

South should have looked more deeply into the position. It was clear that either defender with a twice-guarded King of clubs would withhold it for one round. There was one chance—to play a low club and finesse dumy's eight, playing West for the 10 and East for the King. As the cards are so placed, there is nothing that East can do. If he wins, there is no further problem; if he ducks, the declarer returns the Queen from dummy, and three tricks are sure—four if he now covers.

My next hand has not the same piquancy, but it teaches an equally important lesson:

```
            N
          ♠ K J 2
          ♥ —
          ♦ A K J 8 7
          ♣ K 9 6 5 4
   W                  E
♠ 10 9 8 6         ♠ —
♥ Q 10 5 2         ♥ K 7 6 4 3
♦ 6 2              ♦ Q 10 5
♣ A 10 7           ♣ Q J 8 3 2
            S
          ♠ A Q 7 5 4 3
          ♥ A J 9 8
          ♦ 9 4 3
          ♣ —
```

With both sides vulnerable, East dealt and passed, and South bid one spade. North decided to bid a simple two diamonds rather than a forcing takeout, and South rebid two hearts. North said three clubs, and South gave preference with three diamonds, a very disciplined bid. North now unmasked his batteries by jumping to four spades, and South said six spades.

Well bid, but the play was not good enough. West led the spade 10, dummy's King won, and the unkind distribution of the trumps came to light. Coming to hand with a club ruff, declarer led a diamond and finessed the Knave, which lost to the Queen. East returned a club, which South had to ruff. Now he could not ruff a heart on the table, because that would make it impossible for him to return to hand to draw trumps without ruffing another club, a luxury he could not afford. So he drew trumps and conceded a heart to go one down.

South missed his way at trick two. A low diamond from the table makes sure of the contract provided that they break 3-2—it is one of those quiet moves which are constantly overlooked.

BOOKS

Happy families

BY ANTHONY CURTIS

The Tolstoys: Twenty-Four Generations of Russian History 1353-1983
by Nikolai Tolstoy. Hamish Hamilton. £12.50. 368 pages

"All happy families resemble one another, but each unhappy family is unhappy in its own way." In which of these categories may we put the Tolstoys? Since they emerged in Russia around the middle of the fourteenth century they seem to have possessed a remarkable capacity for happiness, yet to resemble no other family one can think of. Apart from producing Leo, the individual who is the most serious contender for the title of the world's greatest novelist (and coiner of my opening quote), they have sported two other famous writers, A. K. Tolstoy the poet and historical romancer, and Count Alexei Tolstoy, the Stalinist trimmer, author of *Bread*, not to mention the author of the present book, heir to the senior line of the family, who was born in England fifteen years after his father's escape from Russia. The family also has to its credit over the centuries a solid roll-call of statesman, generals, diplomats, ministers, ambassadors, with a colourful supporting hand of artists, eccentrics and Don Juans.

There were very few periods of Russian history when a member of this strongly dynastic family was not close to the levers of power, and responsible for putting into practice the policy of the Tsar. This continuing eminence of the Tolstoys gives the book an absorbing continuity as a work of Russian history offering the reader an intimate series of close-ups into the major events of their time, all of which Nikolai Tolstoy handles very skilfully. It is difficult to think of the history of a prominent English family of rank which would have the same effect: the Cecils, perhaps, who might roughly seem to correspond to the Tolstoys, but even if one were to read the histories of the Cecils by Lord David Cecil and Kenneth Rose in quick succession, I doubt if one would obtain quite such a spectacularly panoramic view of English military and political history as one does here of the turbulent fortunes of Russia, including a moving epilogue on what happened to the family during and after the Revolution.

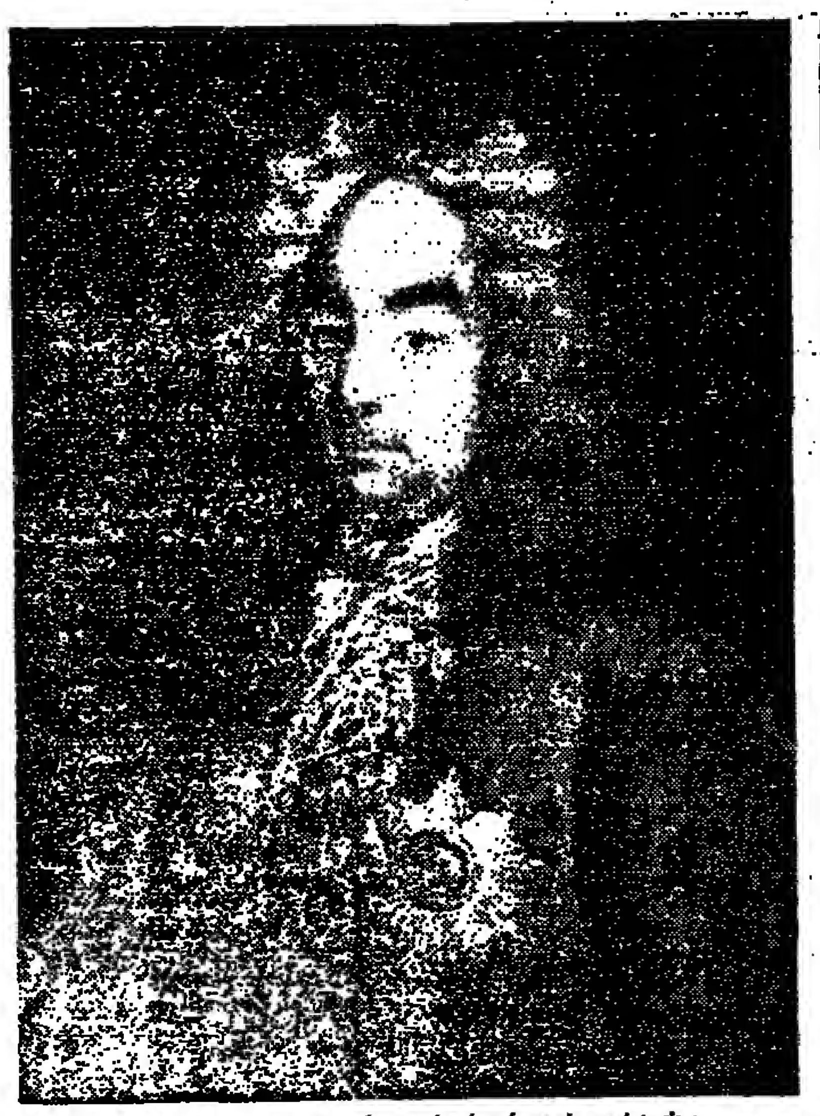
Certain family characteristics emerge: apart from the obvious one of ability, the Tolstoys seem to have possessed longevity, huge reserves of sexual energy, and an uncommon power of survival. This becomes apparent early in the book when the author describes the astonishing career of his ancestor Count Peter Tolstoy who served Peter the Great in the late 17th and early 18 centuries, representing him in such sensitive regions as Italy and Turkey. It was this same Peter Tolstoy who had been part of a conspiracy involving the murderous Streltsi family against the Tsar which was a traumatic memory of Peter the Great's childhood. Tolstoy's mother was a sister of Ivan Miloslavsky who was the chief agent of the carnage. Whereas the Miloslavsky's went under, no member of the faimly ever to hold office again, the Tolstoys triumphantly survived to gain great honour and distinction.

Count Peter proved both his loyalty and his astuteness in the service of his ruthless master particularly in his Turkish post. Ambassador Tolstoy became the centre of a vast web of secret intelligence. The climax of his career was when he had the delicate task of luring the Tsar's drop-out son Alexei back to Russia where he had to face the fury of his father. This lead eventually to the wretched young man's imprisonment and death, in spite of guarantees to the contrary. The interrogation of the Tsarevich is the subject of a famous painting by Nikolai Gay, and there were several versions of the episode seen on the stage in Moscow before world war two in Alexei Tolstoy's play *On the Rack* in one of which Peter appears as a proto-Stalin and the Tsarevitch suffers a just punishment for betraying Russia to the Germans.

All Tolstoys are equal in this history and none are more equal than others: that is to say Nikolai Tolstoy gives each main member of the family a whole chapter and none is permitted to hog the book, not even the author of *War and Peace*. The perceptive section devoted to him, "The Pursuit of Innocence," is a piece of psychological portraiture, concentrating on his quest for emotional honesty, in which more space is devoted to his novel *Childhood* than to *War and Peace*. By the same token, in another section, "Quentin Durward in a Frock Coat," the author succeeds in arousing interest in the poetry of the 19th century author, A. K. Tolstoy whose romanticsm he compares with that of Walter Scott and whose work once enjoyed immense popularity in Russia.

Nikolai Tolstoy is no whitewasher or family hagiographer: he has utter contempt for the career of his Stalinist forebear but he does try to put in a good word for the administrator Nikolaevich Tolstoy whom Professor Seton-Watson has described as "one of the most bigoted and most influential reactionaries of the 19th century." Clearly Nikolai Tolstoy has a partiality for the career of Feodor Petrovich Tolstoy who repudiated the military tradition of the Tolstoys to become an artist. After a vastly distinguished career as a medallist and painter, he produced a daughter by his second wife at the age of 76, and died leaving his widow 100 roubles.

The author devotes a Tolstoyan energy and empathy to a set of individuals who are brought to life, in the eyes of their contemporaries, by the illustrations.



Count Peter Tolstoy—from the book reviewed today

Boney and Hitch

BY NIGEL ANDREWS

Napoleon: Abel Gance's Classic Film
by Kevin Brownlow. Jonathan Cape. £10.95. 303 pages

The Life of Alfred Hitchcock
by Donald Spoto. Collins. £12.95. 578 pages

Kevin Brownlow's restoration of Abel Gance's "lost" masterpiece is one of the most enthralling tales of discovery since Howard Carter stumbled upon the final resting-place of Tutankhamun *Napoleon* is the book Gance enthusiasts have been waiting for: the splice-by-splice saga of how a *magnum opus* was rediscovered, re-shaped and re-presented to a grateful public.

In some ways Brownlow's achievement is far more remarkable than Carter's. For he not only had to "find the body." He had to piece it together, from many parts; and then champion its merits to an initially highly sceptical cinematic establishment, not to mention that cinemagoing public, many of whom had never heard of Gance.

The movie first came into Mr Brownlow's ken in his schooldays. Part of it, in the form of two reels of 9.5 mm "educational film" (so classified) on Napoleon's life, he borrowed from a library. Around this magnetic core other lost or cannibalised bits of *Napoleon* slowly clustered, as Brownlow scavenged archives and libraries and private collections around the world. The film — as audiences at the recent Barbican screening discovered for themselves — now lasts five hours 13 minutes; helped by an extra 23 minutes Brownlow has found, in the Cinematheque Française, since *Napoleon's* London Film Festival premiere in 1980.

You cannot long contemplate Gance's return to public notice after years of exile, without detecting a mischievous modern paradigm of Napoleon's own return from Elba. (Even the director's Christian name is a fateful anagram of that island.) The difference is that Gance's return resulted in triumph. He lived to the age of 92, to see the successes of "premieres" of his film in London and—under Francis Coppola's aegis—New York. And even if yet more footage is discovered by Brownlow—perhaps lagging central-heating pipes in the Cinematheque, or wrapping fish in Wardour Street—*Napoleon* is already firmly ensconced in the pantheon of Great Films.

In addition to the saga of discovery and reassembly, you may read here of the trials of *Napoleon's* making; of that film's and Gance's years, in the wilderness; of the remarkable role of French director Calude Lelouch in hindering its return to the limelight; of a terrifying night in Telluride, Colorado, when Gance threatened to cut up rough with Brownlow; and of one intrepid British film historian's "magnificent obsession" with a movie which, for several decades, did not exist. Let us hope someone is around in the 21st century (preferably before) to do the same with that equally neglected, almost equally long masterpiece of the 1980s, Michael Cimino's *Heaven's Gate*.

If the history of Gance's *Napoleon* is the tale of a great director condemned to spend most of his life without his great film, Alfred Hitchcock's career often seems the tale of a great oeuvre without a director.

Who is, or was, Alfred Hitchcock? The master moviemaker and high-profile public showman seems no less impenetrable to us today as when "Hitch" was alive himself. It takes more than a mere balloon-shaped prankster with a voluptuously ominous voice to make films as poetic and memorable as *Spellbound*, *Vertigo*, or *Psycho*. Yet Hitchcock the man never exposed his deeper self to the public—nor even to critics and interviewers who were enthusiasts of his work.

Donald Spoto's *The Life of Alfred Hitchcock* at least speculates: a necessary follow-up to John Russell Taylor's courtly informative, but inevitably bland "official biography." Mr Spoto has, or takes, a licence to conjecture: about Hitchcock's Jesuit upbringing as a source of guilts, secrecies, and hints of puritanism; about Hitchcock's attitude to women as a source of his subtle screen sadism; about Hitchcock's widely reported row with Tippi Hedren as an explanation for the technical gaucheries of *Marnie*. (Critics, including Spoto himself, as he confesses here, have long tried to explain the naivety of the film's glaring back-projections and painted backdrops as Hitchcock "going expressionist." The truth, Mr Spoto now argues, is that the wounded Hitchcock simply lost interest in the movie after his advances to Miss H had been vigorously rebuffed).

Sometimes the author's take-a-speculation-and-present-it-as-fact style veers from plausible to presumptious. Of a performance of *Richard II* at Hitchcock's school Mr Spoto writes: "The tale of theft, imprisonment, murder and penance not only provided the form-masters with plenty of material for moral injunction but also helped to form Hitchcock's own sense of moral drama." Oh?

But this is a lively, detailed and provocative book. Taken with an occasional pinch of salt—as Hitchcock would have wished you to take his own films—the rewards are plenty.

Russian hoards

BY JEREMY BLACK

All the Empty Palaces. The Merchant Patrons of Modern Art in pre-revolutionary Russia
by Beverley Whitney Kean. Barrie and Jenkins. £15.50. 342 pages

Relationships between artistic trends and historical developments, and between artists and their patrons, are difficult to analyse. All too often chronology is used as a substitute for analysis, and in recent years the growth of inter-disciplinary studies has exacerbated the problem. Thus, works on the Romantic Movement can juxtapose Wordsworth, Beethoven and the French Revolution, and affirm a close linkage or causality between very differing political and cultural developments.

In this extremely interesting study of artistic developments in Russia in the 30 years before the Russian Revolution, Beverley Kean concentrates on developments in art and links them closely to the inspired activities of a small number of very wealthy patrons of modern art, both European and Russian. The hero of the work is quite clearly Sergey Ivanovich Shchukin, a collector on an Olympian scale.

Shchukin, who did not begin serious collecting until his 40s, used his vast wealth to acquire a superb collection of Impressionist and post-Impressionist paintings, particularly notable for his large collection of the works of Matisse and Picasso. A sensitive collector, he was willing, as were so many wealthy collectors in Moscow at the beginning of this century, to open his house to the public and to encourage visitors, particularly young Russian artists. On Sunday mornings Shchukin conducted tours of his collection. He also intended to leave his collection to the State, but his gesture was pre-empted by the revolutionary government.

With great subtlety, and with the assistance of some very well chosen and juxtaposed illustrations, Beverley Kean charts the altering tastes of Shchukin and his contemporary collectors: and indicates the importance of Shchukin's introduction of Cubism and other recent artistic developments in Russia. In many senses Shchukin, with his frequent visits to France and his correspondence with Matisse, served to link French and Russian artistic developments. The study is presented skilfully, set against a background of the stress within Russian culture between Moscow and St Petersburg, Westernisers and Slavophiles.

It was the Moscow industrialist-collectors who were prepared to reject both the mannered artificiality of St Petersburg and the late 19th century Russian realism of the Moscow-based "Wanderers" school; and sponsor recent developments in French artistic circles, which, Miss Kean argues, echoed earlier traditions in Russian art, such as Byzantine iconography.

The arguments are interesting, the prose flows well. Miss Kean is sensitive to the personalities of the collectors she is describing. There are many amusing quotations and vignettes.

Ilya Yefimovich Repin, one of the greatest of the Wanderers, evaluated the work of the Impressionists: "... among even the most celebrated there are some who approach the naiveté of my son painting in oils. . ." and painted a picture of himself in a Russian tunic, as a righteous prophet, pushing away a Diaghilev who resembled a slatternly female with large breasts and a satanic countenance. The caption read: "Get thee behind me, Satan."

Miss Kean is careful to avoid a determinist approach, though she does suggest that the plutocracy of Moscow might have sponsored radical art, because it echoed a sense of violent change, perceived in Russia, which they themselves represented. Simplistic interpretations are avoided: the notion "that modern art and revolution are inextricably linked" is described, correctly, as a myth.

Other newly-wealthy industrialists, such as the manufacturers of Manchester, did not display comparable experimentalism in their artistic patronage. Indeed, one of the notable features of patronage of the arts by industrialists is that they are usually far from adventurous, and prefer to invest in established reputation, possibly reflecting a needless lack of self-confidence; for many industrialists have proved sensitive and munificent patrons of the arts. Miss Kean quotes the answer of Pierre Matisse, the artist's son, to the question "What made Shchukin the ideal client?": "He never tried to influence the structure of a work. He was good because he always came back."

The Kolomenskoye Palace: home of art treasures—from "The Empty Palaces"

Lebanese agony

BY PATRICK COCKBURN

The Tragedy of Lebanon
by Jonathan Randal. Chatto and Windus. £9.95 (£4.95 paperback). 381 pages

The complexity of Lebanon makes it difficult to write about. Long-term trends are obscured by the pace and drama of events. Reporters and diplomats get lost in the maze of warring factions and sects, each seeking and usually finding outside backers. The Levant breeds a short term tactical view, writes Mr Randal, and it is a merit of his book that he links the blood-drenched developments of the last decade with the history of Lebanon as a whole.

The country is unique. "The Government does not exist, and whatever part of it does exist has no authority, and who ever has authority is not in Government," notes a prominent Lebanese. In an area only half the size of Wales every member of the 16 officially recognised sects sees himself as one of a minority with real fears of massacre and expulsion. Everybody is paranoid, and everyone has reason to be.

In explaining the source of their fears Mr Randal, the distinguished correspondent of the Washington Post, has written much the best book on Lebanon. He never gets lost in tangled details of the civil war in 1975-1976 or the byzantine twists of policy on all sides which have followed. Anybody who wants to know what has happened or is likely to happen in the Middle East should read this book.

Mr Randal begins with the assassination of President-elect Bashir Gemayel last year. When the body was removed from the wreck of his party headquarters the Maronites lost their best chance of creating a state in their own image.

And it is the Maronites who are the main focus of the book. The largest and best organised Christian sect in Lebanon, they have survived as other Christian communities in the Middle East go under. Always seeing themselves as embattled, it is hardly surprising that Maronite leaders have wondered why they cannot emulate Israel by creating their own state

Fear is never far away. "The Christian psychosis of fear is internalised, visceral and tenacious," says Pierre Gemayel, father of Lebanon's President, and founder of the Phalange Party which has come to dominate Christian politics.

The American edition is called *Going All The Way*—a central theme of the book is to explain why the Maronites have traditionally outrun their strength. In the civil war they repeatedly provoked enemies more powerful than themselves. They were only saved in 1976 by the intervention of the Syrian army.

A Maronite-dominated state has always been feasible in Lebanon today, as it was at the start of the century. The reason it has not been achieved is the inability of the Maronites to share power, even with the Druze and Sunni Moslem establishment. However disenchanted Lebanese Moslems may have been with the PLO, they feared the Maronites more, especially after the Chatila massacre.

This self-defeating lack of moderation is in the nature of militant minorities conditioned over the centuries to try to maintain their identity in a hostile world. The Protestant in Northern Ireland, and the Lebanese Maronite, have a lot in common. Each belongs to a group with a strong tradition of solidarity and a belief in the total rectitude of their cause. These uncompromising communities have become the victims of their self-defence mechanisms, unable to show the moderation and capacity to compromise which would win them most of what they want. They thus stand in danger of losing everything.

Nor are the Christians alone in not knowing when to stop. Lebanon is deceptive because everybody in the country has at some point thought that his side could win a total victory. The same temptation has gripped the PLO and the Israeli Government, and all have seen their victories within Lebanon turn to dust.

FICTION

From Clydeside to College

BY MARTIN SEYMOUR-SMITH

Apprentice
by Tom Gallacher. Hamish Hamilton. £7.95. 156 pages

Words
by Helen Stancey. Robin Clark. £7.50. 187 pages

Inrock
by Desmond Morris. Cape. £6.95. 288 pages

Tom Gallacher's *Apprentice* consists of five interconnected short stories: a novel in episodes. Set in the 1950s in a Clydeside shipyard, it deals with the unusual theme of an educated apprentice who desires above all to pass on his education to the men and women he gets to know in his new job. But it is his very education that makes him an innocent. He wants to save his landlady; a girl from the ropeworks whom he considers misguided; a swindler. . . . But perhaps in the end it is they (though they *are* uneducated) who educate him. He remains, he feels, a "dilettante human being."

This is well written, always canny, with a marvellous ear for Scottish dialogue (from which the author gains many of his most telling psychological touches). Here are some shrewd although never unpleasant or doctrinaire comments on education and its effects. It is seldom that one reads a book in which the worth of people as they are, untouched by "correction," is so lyrically and amusingly stated.

Words is a first novel about childhood and adolescence in a small English town. Young Maggie is totally at odds with her respectable, "upright" parents, who cannot understand why she has a mind of her own — and so disconcertingly original a mind. But that part of the novel, exquisitely done, is not the whole story. The book gains in distinction. Maggie goes on to London, and to university, where she meets a nihilistic young man who seems at first to be everything she has wanted. She finds him to be something else.

This is no thesis on the excellence of Victorian values, but Maggie's return to her mother after the relationship with her nihilistic man friend —in which she learns to act by her own standards, and not those imposed by anyone else —is movingly done. She is able to see that, under all the surface propriety of her mother, there is a feeling human being after all. *Words* avoids sentimentality and preaching. It is about people learning to be themselves — about how they must escape ideologies. It is a very promising debut.

Desmond Morris is tolerable to all but some ethologists, who usually—and rightly—do not mention him. It must be hard for them. His first novel, a speculative tale about the Land of Inrock, patently based on Tolkien, is about as successful as his attempt to mate the Moscow Panda with our Panda in Regents Park. This is depressing pastiche; or, alternatively, it is as good as Congo's paintings (Dr Morris taught this chimpanzee to paint). *Inrock* is a good-hearted fantasy, and I feel as bad as an ethologist deciding whether or not to mention *The Naked Ape* in his review of studies. But it does not have the absurdly warm appeal of that earlier work.

Helen Stancey: parental pressure

Crimes in short

by WILLIAM WEAVER

Call Back Yesterday by Sara Woods. Macmillan. £6.50. 192 pages.

Sara Woods is addictive. Even when the mannerisms of her regular characters irritate you, even when you are annoyed because events are often narrated several times (the characters are forever telling one another things the author has already told us), if you like a good puzzle, you can hardly put these books down. As usual Antony Maitland has a rum client, whom any sane person would consider not only guilty but also batty. He cannot accept her guilt, however, and agrees to defend her.

The Pleasures of Murder. edited by Jonathan Goodman. Allison and Busby. £8.95. 208 pages

An anthology of famous crimes, described by various writers, some specialists, some famous in non-criminal areas, some obscure. The narration of real crimes for some reason often inspires an arch superiority in the narrator, and over a long space this can become tedious. Dorothy Dunbar's re-telling of the Lizzie Borden case is a good (or rather bad) example. But the book has some excellent chapters, notably Mr Goodman's own account of the Brady-Hindley moors murders. British readers may be unfamiliar with Henry David Thoreau's "A Massacre in Massachusetts," taken from his classic A Week on the Concord and Merrimack Rivers, a welcome inclusion.

Rebel headmaster

BY VALERY McCONNELL

Neill of Summerhill: The Permanent Rebel
by Jonathan Croall. Routledge & Kegan Paul. £12.95. 436 pages

An authorised biography of A. S. Neill seems a contradiction in terms. To Neill, the founder and head of Summerhill school, authority was anathema. He believed children should have emotional freedom, self-government, and the right to learn what they chose at their own pace. The school and its principles, established in the 1920's, are still running today, despite Neill's death in 1973.

They stem not so much from what education should be, but what childhood should be. It is not surprising that the pattern of Neill's own childhood should prove to have been the exact opposite of what he advocated. He was scholastically unpromising, a source of irritation to his father, the local Dominie—schoolmaster—in the Calvinist Scottish village where he grew up. In these circumstances, academic success and parental love were closely connected, and Neill lacked both. Although he eventually obtained his degree, he retained a disdain of the intellectual—so that it often seemed that Neill's view of what children should learn proved to be what he had himself enjoyed; and been denied as a child. Sometimes this caused problems for children at Summerhill who did have an academic bent, bringing Neill into conflict with teachers who sought to encourage them.

Neill's shortcomings as both a person and a teacher are well-documented in this biography. He could be an unappreciative husband; he was a dreadful Maths teacher but wouldn't admit it; he disliked other teachers' attempts to influence the direction of the school. Democracy for the children did not extend to the staff. However, what was never in doubt was Neill's love for the pupils—he gave them care, time, and the right to be important—all lacking in his own young life.

Father figure to so many, Neill needed mentors himself. The first was Homer Lane, whom he met while still a frustrated teacher in others' schools. It was Lane's school for young delinquents, based upon the precepts of self-government and psychoanalysis, that gave Neill two of his key ideas for Summerhill: the catalyst that sparked the Summerhill project into life.

The other great influence on Neill was his friend Wilhelm Reich, the controversial psychologist. Reich analysed Neill, but the friendship provided an outlet for both of them. They were both extremists, and could understand each others' loneliness and frustration at being misunderstood. As fellow iconoclasts, they gave each other sympathy and support.

Evaluations of Neill and Summerhill have been attempted throughout their association. "Ignorance, conceit or genius," asked a reviewer of one of Neill's many books on educational psychology. A measure of each seemed to make up the man. In his well-researched book Jonathan Croall quotes extensively and pereeptively from the opinions of Summerhill pupils, teachers and parents, as well as Neill's friends, admirers and opponents down the years. He does not give an extensive analysis of either Neill's psyche or Summerhill's success.

Instead he gives the reader as much background information and evidence as possible and leaves us to make up our own minds. Whether people hated, loved, or misrepresented "that dreadful school," they always have affection for Neill. Because, quite simply, Neill was always willing to give.

HOW TO SPEND IT

by Lucia van der Post

Glittering prizes

THE right piece of jewellery adds the finishing touch to any outfit but whereas once upon a time only the real thing would do, nowadays there is a whole host of options to choose from. From designer jewellery with its sculptural lines and daring use of inexpensive materials to the cheap plastic trinkets of the early 1950s, there is something for almost every taste and pocket. No longer are most people concerned with using jewellery to proclaim their social status or the power of their purse, nowadays it is a personal statement of taste and life-style. Shown on the page this week are just some of the choices currently in the shops.

Kai-Yin Lo is photographed here with some of her own designs. Using combinations of antique jade or ivory that she has collected over the years or semi-precious stones or even just coloured stones, she fashions all these things into jewellery that has become sought after all over the world. No two pieces are ever exactly alike.

IF YOU haven't yet heard the name of Kai-Yin Lo you soon will. Until recently her fame has been an elite and elusive thing. Eugenia Sheppard of the New York Post summed it up better than I ever could when she wrote, "Kai-Yin Lo's name is a kind of magic password among women who like exotic, semi-precious jewellery better than diamonds. . . Thus on this fine but indestructible thread of fame was her name passed among that select group that makes up the *haute monde.*"

A glance at the list of those who wear her jewellery is to know the glittery names that make up the pages of that bible of modishness Women's Wear Daily: Mrs William Randolph Hearst, Princess Esrea of Hyderabad, Mrs Marcos of the Philippines, Gloria Vanderbilt, Mrs Charlotte Ford, Mrs Gordon Getty and nearer home, Mrs Jane Stevens, the Countess of Lichfield, Princess Michael of Kent, are all wearers and admirers of Kai-Yin Lo's work.

When you think how much jewellery there is in the world and how many talented and committed designers have devoted their lives to it, you may well wonder what it is that makes Kai-Yin Lo's work so special. The answer seems to lie in the fact that she has very cleverly and artfully bridged the gap that lies between real jewellery (the world of Cartier, of Harry Winston, Bulgari et al) and costume or non-precious jewellery.

Kai-Yin Lo uses only materials that have beauty and some material (commercial) value. She takes semi-precious stones, or bits of antique jade or ivory, pieces of lacquer or amber and uses them to make jewellery that is strong and individual. She uses little gold, no diamonds, but is fond of lapis lazuli, of antique beads, of coloured stones, of amethyst and malachite, or coral and of jade, of ivory, bone and wood. All these she takes and turns into her own distinctive styles.

Another of the reasons for her success, it seems to me, is the skilful way in which she uses her Eastern origins—she takes ancient Oriental motifs but is careful to use them in ways that the Western world can understand so that the jewellery is at once exotic and wearable.

Small, almost frail to look at, Kai-Yin Lo herself was dubbed by Hebe Dorsey of the International Herald Tribune as one of the three most notable Iron Butterflies of Hong Kong—all preside over large and successful Hong Kong-based businesses.

From small beginnings (in 1979 she used her own collection of small Oriental art objects as the basis of her jewellery) she now has a private client list that spans five continents. Kai-Yin Lo, it appears, is on everybody's party invitation list. And, no matter how tired or jet-lagged she is, she is never too weary to turn up as her own best advertisement of what a piece of Kai-Yin Lo jewellery can do for you.

Now, at last, all this jewellery is going to be available to all of us who have never made it into the columns of Women's Wear Daily and never get asked to the parties that Kai-Yin Lo attends. To begin with the London stockists are Harrods and Harvey Nichols, of Knightsbridge, and Liberty of Regent Street.

Three main ranges are on offer. The Fashion Line which uses "real" materials like ivory, bone, wood, semi-precious stones like amethyst and coral. Then there is the Boutique Line of precious gold jewellery set with pearls and semi-precious stones. The Antique Line is possibly the most original and "Oriental" in look—this consists of antique pieces (whether ivory, jade, coral, rose quartz) re-assembled, re-worked and fashioned into special, one-off pieces. In addition there is a collection of belts and other accessories, things like satin ties embellished with coral, and small bags and travel items.

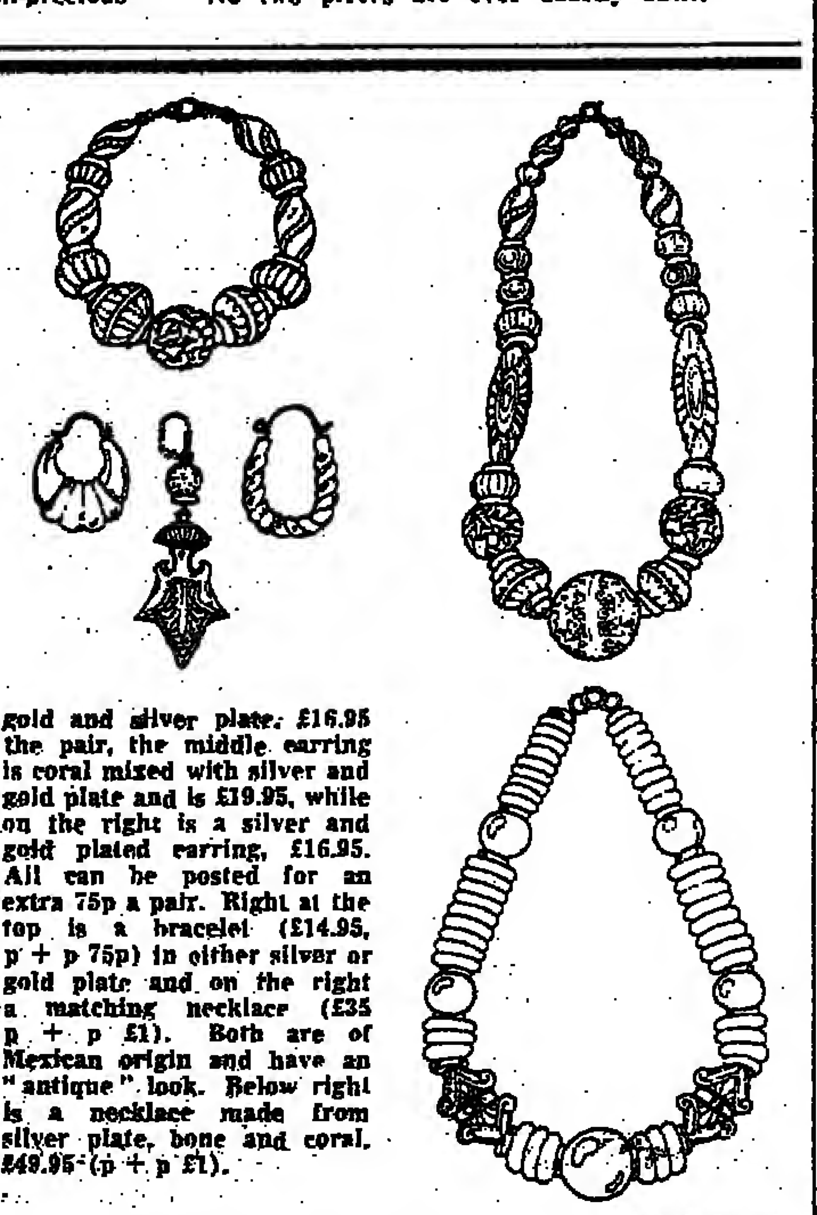
Though in America they call her jewellery "medium-priced," we in recessionary Britain are likely to think the prices very far from medium. At anything from £50 to £10,000, high is the word that most quickly comes to mind.

However, there is no doubt that many women find it so desirable that they start reaching for their cheque-books almost before they've drawn breath. Some weeks ago in a drawing-room overflowing with necklaces and chokers, with beads and pearls, with wood, ivory, bone coral and all the other colourful and gleaming materials that Kai-Yin Lo uses to create her pieces, the lady herself hardly had time to talk, so busy was she taking orders and putting away the cheques.

Bold and beautiful

I HAVE written about Manguette's tiny little shop at 5a Kensington Church Walk, London W8 (tel. 01-937 2897) before but so many readers seem to have found exactly what they wanted for a special birthday or anniversary present in her shop that it is worth reminding you of this unique source of jewellery. This summer Manguette has a great deal of coral, turquoise, some stunning ivory (from official culled sources only) which is beautifully worked in Paris, some inexpensive wooden beads and bangles and some exceedingly well-priced silver plate that looks much, much older than it is.

Anybody who has a taste for the dramatic will find that Manguette is a godsend—look particularly at the turquoise and ivory ranges. Shown sketched here, are three earrings. Right—from left to right, in a mixture of gold and silver plate, £16.95 the pair, the middle earring is coral mixed with silver and gold plate and is £19.95, while on the right is a silver and gold plated earring, £16.95. All can be posted for an extra 75p a pair. Right at the top is a bracelet (£14.95, p + p 75p) in either silver or gold plate and on the right a matching necklace (£35 p + p £1). Both are of Mexican origin and have an "antique" look. Below right is a necklace made from silver plate, bone and coral, £49.95 (p + p £1).



Anne Morrow

Clipped from the past

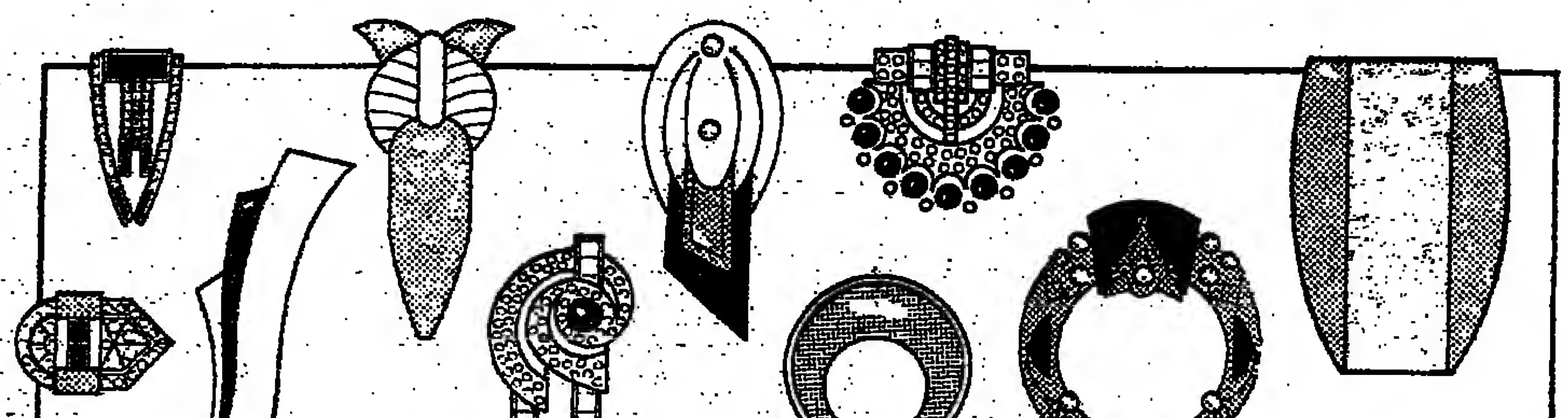
MARIA MEROLA runs another of my favourite small jewellery shops—Studio 2 at 2 Charlton Place, Camden Passage, London NW1. She specialises in jewellery of the Art Deco period from the 1920s to as late as the 1940s and her small shop is a treasure-shop full of pieces that offer a surprising amount of panache for quite a small outlay.

Currently Maria thinks that her selection of mainly 1920s clips offer some of the best, most sylish ways of updating or perking up a dress, a sweater, a jacket or a coat.

Made from materials that are inherently inexpensive (glass, the French pate de verre, diamante, marcasite, brightly-coloured bakelite, silver) and at prices ranging from £8 to £30, they can be worn just off-centre on the V of a sweater, on berets, on boat necklines, on the shoulder seam of dresses, on jacket lapels and pockets, on sleeves of short-sleeved jumpers.

Shown below is a selection of some of her best, most decorative clips. Top row, left to right, navy blue and white paste and silver clip £25; burgundy glass with bow, £12; chrome red and black bakelite, £17; a glittery turquoise and plain paste circular shaped clip, £25; strong red and cream bakelite clip, £24.

Bottom row, left to right, tiny silver, marcasite, green and black design, £26; red bakelite and chrome, £28; strong Art Deco design of marcasite with red stone, £25; red mirror glass hoop, £12; orange deep red and marcasite 1920s clip, £25.



Pauline Rosenthal

Bow-tied

IT IS amazing how long it took manufacturers to cotton on to the fact that softly-tied bows at the neck were one of the most sought-after accessories this year. While American shops seem to have leapt on to the handwagon fast, early shoppers here in Britain either had to sew their own or track down the few shops that seemed to sell them. Anybody still looking for a soft, silky cravat to tie round that Eximious, that delightful present shop at 10, West Halkin Street, London SW1, sells spotted versions in a variety of different colours. All are made from pure silk crepe-de-chine, which gives that expensive floppy look, all are 46 ins. in length. The colours are white spots on black, red, turquoise, brown, burgundy and pale blue ... spots on navy. All are £6 and all can be bought either or by mail order for an extra 65p.

Readers who have not yet discovered the shop itself may like to know that there is a splendidly informative catalogue which has full-colour photographs of all the many special items that it sells. The catalogue will initially cost you £1 but if you order anything from it this will be deducted from the cost of the first order. (Write to the address given

COOKERY/JULIE HAMILTON

Frozen delights

WHAT a summer! What a joy! No need to go abroad for a holiday with Cypriot sunshine or Italian ice cream. Both have come to Sussex.

Most of the meals during this school holiday have been cooked and eaten in the garden, very few (if any) clothes have been worn and our own ice cream has been plentiful. I have served ice cream with almost every meal, as a before or an after or even both. I have also served it to the 25 guests at our summer birthday celebrations. When we have run out the children have made their favourite flavour (mint choc chip) in 20 minutes!

All this has been made possible by the Gelato Chef ice cream machine. It is an expensive item (£195) to add to your kitchen but if your family and friends enjoy the best ice cream in the world (your own receipes are, of course, the best) then this machine is a must. You need space for it because it is too big and heavy to keep putting away. If you have a pantry (I wish I had) where you keep the freezer, then that's the place for it.

The Gelato Chef will make any ice cream or sorbet in 15 to 20 minutes. It is marvellous to be able to tip the prepared ingredients into it as you sit down to dinner and then serve ice cream which is soft—yet holds its form—creamy, light, unutterably delicious and freshly made straight from the machine. It makes one and a half litres which is about 10 good-sized portions, depending on your scoop and appetite. It comes with a booklet of recipes, some of which will probably be familiar to you. It is so easy to use that when it arrived in my kitchen my children (aged 13 and 11) were the first to try it out.

The other thing that has amazed me is that the machine will turn almost anything into ice cream, regardless of whether or not the ingredients include what was once believed to be the required amount of sugar. I am so impressed by the capabilities of this machine that I am seriously considering having my kitchen extended or re-styled or replanned to accommodate it (and other useful gadgets acquired over the years)!

Now to some of the recipes I have created with the help of my Gelato Chef. Of course they will work using any ice cream making method or gadget (to refresh your memory send for a copy of my article published on July 10 1982). Unless you are making sorbets or yogurt ice cream most recipes include quantities of cream but I can assure you that ice cream made with a custard of milk and eggs is so good no one would complain of or even recognise the absence of cream.

BITTER CHOCOLATE AND ORANGE ICE CREAM

½ lb bitter Bourneville chocolate; the juice and rind of 1 orange; 6 eggs; 1½ pints milk; 2 tablespoons sugar.

Melt the chocolate in the orange juice. Bring the milk to boiling point with the orange rind in it and let it stand, just below boiling point, for a while—not less than half an hour. Combine the eggs and sugar and, while beating, add the chocolate and milk. Pour into a bain-marie and thicken over boiling water, stirring continuously. Cool, strain and freeze (churning for 20 minutes if using a Gelato Chef).

STEM GINGER ICE CREAM

8 oz stem ginger (Sharwoods, in vinegar, found in Timothy Whites); 1 pint cream, double or whipping; ½ pint milk; 8 eggs (6 whole plus 2 yolks); 4 tablespoons caster sugar; 4 fl oz ginger wine.

Strain and pound the ginger to a smooth paste and combine it with all the other ingredients. Pour into a bain-marie and thicken. Strain it and cool. When cold, freeze according to the instructions for the method or machine you are using.

CINNAMON AND LIME ICE CREAM

1 pint cream; ½ pint milk; 3 eggs; juice and rind of 1 lime; 4 tablespoons sugar; 1 finger-size stick of cinnamon; 1 bay leaf; yellow food colouring.

Combine half a pint of cream with the milk (you could use milk only if you wanted to) and add the cinnamon stick, the rind of lime and the bay leaf, bring to the boil then leave to stand just off the boil for not less than half an hour or until well flavoured. Beat the eggs, sugar and lime juice together, pour the flavoured and hot milk and cream into the egg mixture.

Using a bain-marie, thicken over boiling water, strain and cool, adjust colour to a rich yellow with a few drops of food colouring and freeze according to instructions. Halfway through freezing add the other half pint of cream.

To serve these two ice creams at a dinner for 25, I scooped out each portion into a cup cake paper and froze hard in my freezer. When they were well frozen I melted some chocolate with a little butter and spread it over the top of each portion, decorating only the ginger one with toasted almond flakes to make identification easier. Before serving I peeled off the paper and arranged the balls of ice cream on a platter, removing it from the freezer approximately 15 minutes before serving. For the same dinner party I also made the next ice cream.

MOCCA CHOC ICE CREAM

6 eggs; 1 pint milk; 1 pint whipping cream; 1 oz coffee beans; juice and rind of 1 orange; 2 heaped tablespoons cocoa; 4 tablespoons sugar.

Bring the milk to boiling point and add the coffee beans (I use Kenya peaberry) and the orange rind. Leave to stand for at least half an hour or more just under boiling point. Combine the eggs, orange juice, sugar and cocoa. Pour the hot, flavoured milk over the egg mixture. Using a bain-marie, thicken, stirring all the time, strain and, when cold, freeze—adding the cream halfway through the process.

BORSCH ICE

If you like borsch you will adore this ice cream served as a starter with wholemeal biscuits.

3 good-sized freshly cooked beetroot; 1 chicken stock cube; ½ oz gelatine; plenty of finely chopped fresh dill; 1 tablespoon wine vinegar; ½ pint water; 1 dessertspoon sugar.

Dissolve the gelatine in 4 tablespoons of water. Purée the beetroot, adding the dill, vinegar and sugar. Heat the water and dissolve the chicken stock cube, combine it with the gelatine and add it to the puréed beetroot. Season to taste and freeze.

CHEESE AND ANCHOVY ICE-CREAM

This savoury ice-cream is for serving instead of cheese at the end of the meal. Because is has no sugar it will freeze very hard so remove it from the freezer in plenty of time. If you have a Gelato Chef, 15 minutes freezing and churning is enough. The quantities given make eight full size scoops. One per person should be adequate served with cheese biscuits.

3 oz cottage cheese; 5 oz double cream; 7 oz milk; half a can of anchovy fillets, juice of half a lemon; 2 heaped teaspoons of tomato purée; 1 teaspoon anchovy essence; freshly ground black pepper.

Using the finest disc push the cottage cheese and anchovies through a food mill and combine them together with all the other ingredients. Taste, adjust seasoning and freeze.

ARTS

Political science

RADIO

B. A. YOUNG

In Paul Thain's *Revelations*, this week's Monday Play, Government security is controlled by an omniscient computer called Tobol that learns for itself one of Issac Asimov's laws of robotics, that human life is sacred. So it declines to give up the names of the terrorists of the Third Force who have stolen enough plutonium to make a bomb and blackmail the Government. Tobol is "bio-chemical:" the interface between the digital and the analog sections is virtually a human brain (Geddit?) Tobol's designer Mary (Ann Morrish) is so liberal that she will not help to correct the fault: but in the event she is compelled by the Director (Charles Gray) to insert a pseudocancer masked by music. Music is something Tobol has never experienced, and it is a consolation that its death is effected by the most beautiful music ever written, the trio in the first act of *Cosi fan tutte*.

This is all in the manner of *Dr Who* in the old days when he and The Brigadier were involved in politics, but slightly more serious. It happens at the end of the century, when Opposition MPs are addressed as Citizen and the true opposition lies with the Third Force and its active wing the People's Liberation Army. It is sentimental as well as exciting, and was well played under Glyn Dearman's direction. Michael Tudor Barnes played Tobol too much like a human, to my mind, too little like a Dalek.

Going back half a century, the politics in Hugh Jenkin's *Solo Boy* are more familiar. Fourteen-year-old Paul (voices broke later in 1924 than today) reckons the choirmaster owes him £3 17s 6d for his solos. £3 17s 6d! I got £1 15s a week when I began work, a lot later than 1924. The choirmaster will not give him what he asks, so Paul decides there should be a "proper scale" of payment for solos and forms a mini-union among the trebles.

The author calls his play "semi-autobiographical," so it won't be a surprise to hear that Hugh Jenkins is really Lord Jenkins of Putney, Minister for the Arts in Harold Wilson's Government. Even shop-steward solo trebles make a glorious sound, as Paul Russell did in this play; but too often his speaking *alter ego*, Benjamin Revill, was soliloquising over the music about the falsity of his Christian beliefs. This was Wednesday's Afternoon Theatre.

To stay with Radio 4 drama, on Monday was a repeat of David Caute's *The Zimbabwe Tapes*. The actual tapes, made by Mr Caute on visits to what was then, I suppose, Rhodesia, are genuine talks by Mugabe's freedom fighters, but the fabric devised to contain them is clumsy. A liberal white farmer has made an "oral history" of Rhodesia by getting old-time settlers to tape their recollections. (Surely a Radio 4 feature!) When he is ambushed and kidnapped, the guerrillas take his tape-recorder with them and have some tapes made from their side. Moreover, as the settler is to get killed in a raid by the Rhodesian Air Force, we have to have a narrator to recount it all. Peter Jeffrey is fine as the settler. John Matshikiza is fine as the guerrilla leader, but neither was as exciting as the voices on the tapes.

No politics in Mrs Gaskell's *Wives and Daughters*, the new Sunday evening serial, adapted by Barry Campbell. It should be first-class. Being less well-known that *Cranford* and other 19th-century romances, the plot will be more interesting to explore. Newcomers who think that because Mr Gibson's 17-year-old daughter Molly has been sent to stay with the Hamleys, who have sons at Cambridge, she's sure to have a romance with one if not both of them have no idea of all the marriages and deaths that lie in store for them.

The characters, all so decent, so humorous, so well-bred—so far—are admirably played in Jane Morgan's production. Tom Wilkinson is Gibson, the country doctor who has kept Molly in a state of innocence somewhat extreme for her age, and Molly is delightfully played by Kathryn Hurlbutt. Squire Hamley and his wife, fine old yeomen stock leap to life in the voices of Robert Lang and Lillias Walker.

It was salutary, before plunging into the scientific imagination of *Revelations*, to have heard a Radio 3 talk the previous day called *From Supernova to White Dwarf*. This was an account by Dr John Hendry of the way in which Sir Arthur Eddington, when I was a boy the greatest scientist after Einstein, lost the confidence of both scientists and philosophers. Science is a malleable art, or craft, or whatever it is.

Humour hits the U.S. heartlands

Frank Lipsius reports on the new wave of live comedy which is sweeping America

When two young New York comedians performed live in Bozeman, Montana; still in New Yorkers' mind the edge of the great wilderness, it was considered news not only in Bozeman, but also in Manhattan. In Bozeman, the news was that live entertainment had finally arrived in a town that boasted little more than the full complement of fast-food restaurants. The news in New York was that this new generation of comics, largely associated with big cities and the traumas of urban or at worst suburban living, had crossed the great divide and reached out into the American heartland.

Lanky 27-year-old Steve Mittleman, whose big feet and Queens accent resemble those of a New York City cop, found the audience's enthusiasm an adequate compensation for their lack of familiarity with his home-grown material. He could easily adapt some of his material, like his disbelief that people pay $3 for Perrier with Hudson River ice cubes floating in it, to Bozeman, which was suffering from an unidentified parasite in its own drinking water.

With about 200 clubs now spread out across America specialising in stand-up comic entertainment, the funny fat kids who could make their classmates laugh and their teachers cry now feel they have a possibility to turn their quirks into a profession. They congregate in increasing numbers in New York, which has seen a profusion of comic clubs open in the past few years.

One of them, Catch a Rising Star, has long been a magnet drawing young hopefuls to their regular try-outs, where anyone can have a five-minute or one-song stint in front of a live, paying audience. Late into the night, established performers join the acolytes to try out new material in an informal East Side setting that resembles a club in the cellar of a rustic resort. A breakthrough was reached in March with transformation of Caroline's from general cabaret into a high-class comic club where, with a full menu and tablecloths, to complement the entertainment, the acts get paid enough to give at least the illusion that the comic business can really be a profession.

If stand-up comics can trace their profession back to Vaudeville, their modern incarnation began with the Mort Saals and Lenny Bruces of the 1950s whose routines alighted on the disgruntlement some felt at the complacency and conformity of the Eisenhower years. The one highly successful survivor of those years, Woody Allen, has no doubt influenced the new comics, though the intervening "me" generation has also had a lot to do with the focus of routines narrowing from political and topical subjects to personal, life-style routines.

Avner the Eccentric: adept at ad lib

The closest approach to politics one finds is a routine like Jakov Smirnov's at Catch a Rising Star. With a hip Russian accent and a convincing assertion that he is a Soviet emigré, Smirnov compares American and Soviet life with quick comments like "the prize for a Soviet joke contest is 20 years," a Soviet soap opera like America's *One Life to Live* is *One Day to Live*, *All My Children* is combined with *Search for Tomorrow* to become *Search for All My Children*. Soviet television turned *Love Boat* into *Love Barge*, and *Leave it to Beaver* became *Leave it to Brezhnev*.

By emphasising the prejudices of conservative America, such politics hardly fit the mould of the morbidly liberal 1950s, but it has a lot in common with the other routines that deal with the minutiae of American life, heavily biased toward inane commercials, regional differences and childhood maladjustment. The mc at Catch a Rising Star warms up the audience with questions about where people are from, giving wide latitude for jokes about the Texans and the Psychological Association conventioneers to mix with self-deprecating remarks about New York.

Mark Weiner punctuates a manic routine with the comment, "Don't mess with me, man, I'm on medication." At Catch a Rising Star, Steve Mittleman goes through a high-school routine easily adaptable to Montana with comments like, "I was voted 'Most likely to have prostate surgery'."

The mix of comics reflects a generation's changes in women's roles, with the one early example of Elaine May having blossomed into a whole cadre of women. If they are not as numerous as men, they are no longer noticeably sparce, either. They bring a unique perspective to the business, with comments that still reflect the Women's Movement, like Elayne Boosler at Caroline's noticing, "They use breasts to sell everything in this country. Who would pose in Hustler magazine while their parents are still alive?"

Comparing her own to her mother's immaculate housecleaning, she says, "You could eat off the floor in my house too," though she admits you would also "have to comb the soap." The element of Jewish self-mockery is brought out in the comment, "Pac Man is the history of the Jewish people—chased while eating."

Some of the contemporary comics skip the angst routines and go right back to Vaudeville. The Flying Karamazov Brothers juggle and perform sleights of hand while keeping up a running patter that sounds like funny California beach talk. Their mouths are as good as their hands, leading to dates on Broadway as well as starring roles in the Goodman Theatre in Chicago's circus-setting for *The Comedy of Errors*.

This survivor saw the start of a helpful enterprise called The First New York Festival of Clown-Theatre, showing off the work of another branch of young Vaudeville entertainers. Deft hands combine with self-deprecating routines reminiscent of the "Sad sack" Emmett Kelly clown, whose failures were even hard to achieve.

Avner the Eccentric filled the auditorium of the festival for a mime comic routine in which he searched for his hat suspended on a baseball bat. He was adept at firmly stopping a member of the audience from taking photographs without alienting anyone, including the persistent and obnoxious fan. Facing an unexpected event showed a professionalism that must go with the training in mime, tricks and this generation's mastery in the "like me" school of entertaining.

Pressing the flesh

VIDEO

NIGEL ANDREWS

"I started out as Snow White," Mae West once said, "But then I drifted."

And so it has been through history; especially the history of cinema. In the land of show-biz, give purity half a chance and it will start sliding subtly towards prurience. The amazing thing about our "permissive" age is that a jealously guarded hypocrisy still exists in the movies and the media. And nowhere more than in the *Playboy* ethos. The Hugh Hefner empire, famed for serving up sex heavily garnished and almost equally heavily sanitised, has seized a corner of the video market, providing "Playboy Magazines" in cassette form (CBS/Fox).

No collector of rare, daft bric-a-brac should miss these. For the one-track-minded there is a sufficient acreage of peach-toned flesh, titillatingly veiled in silk or contoured and dappled in all its nakedness by clever lighting and camera-angles. But there are also hilarious lessons in how to keep one foot in the preacher's pulpit or the researcher's study while the other is in milady's boudoir. Almost every slice of erotica is disguised as something else.

Among the items on offer in Playboy Videos 1 and 2 are "Ribald Classics" (earnest, Boccaccio-style erotic tales filmed through a monsoon of Vaseline); a solemnly pseudo-scientific visit to a condom factory; an equally solemn discussion of the many uses of a famous four-letter word; and a profile section, featuring such as Bo and John Derek or Dudley Moore ("Born with a club foot into a poor family in London . . ."), in which the interviewed subject is expected to sidle towards the topic of sex as soon as possible, preferably with some personal confessions thrown in.

In addition to these there is the Playboy Video *pièce de resistance*: "Playboy Playmates Playoff." This purports to be an all-female contest but more resembles *It's A Knockout* with knockers. Young ladies clad in bikinis which seem to have been fastened with deliberate negligence scamper about through water, into mud, over greasy poles until the climactic moment when the last vestige of upper clothing flaps loose. Meanwhile the compere, a kind of American Ron Pickering, tries to keep his and our ends up by such urgent asides about that state of play as "Samantha looks to be in trouble with her bikini-top" or "Do you think Nicky will take one hand off the pole to fasten her bathing-suit?"

What Nicky should do, of course, is to take both hands off the pole and fasten them warmly round the throat of the compere. From this po-faced, glossily packaged, chauvinist nonsense it's a relief to turn to *Bluebeard* (EMI), even though this depicts male chauvinist piggery in even more primal form. Happily, however, it also satirises it.

Compounded equally of silliness and charm, it was produced in Hungary by the Salkinds, before they soared to *Superman* fame, and stars a gallantly Balkan-accented Richard Burton, complete with dark blue goatee. Svelt and gorgeous sets frame Burton's guttural presence as he delivers such lines to his various wives as "The castle is yorrs, darlink, I am going to Vienna."

Visconti's *Death In Venice* (Warner Home Video) has no *femmes fatales* or *hommes fatales* but it does have a famous *garcon fatale*: Thomas Mann's Tadzio, played by Bjorn Andresen. The film is hollow and magnificent by turns, as if Visconti never quite knew what he was looking for until in odd and sudden scenes—the baroque bouquets of faces and glances in the hotel dining-room, the rhyming of Mahler's tortured, tremendous music with mortality-reeking Venice—it came up and struck him forcibly on the senses.

By contrast, the "Let's discuss art and philosophy" scenes between Dirk Bogarde and Mark Burns are often an embarrassment, and Andresen's fey androgyne beauty sometimes seems more of the Fotherington-Thomas than the Adonis variety.

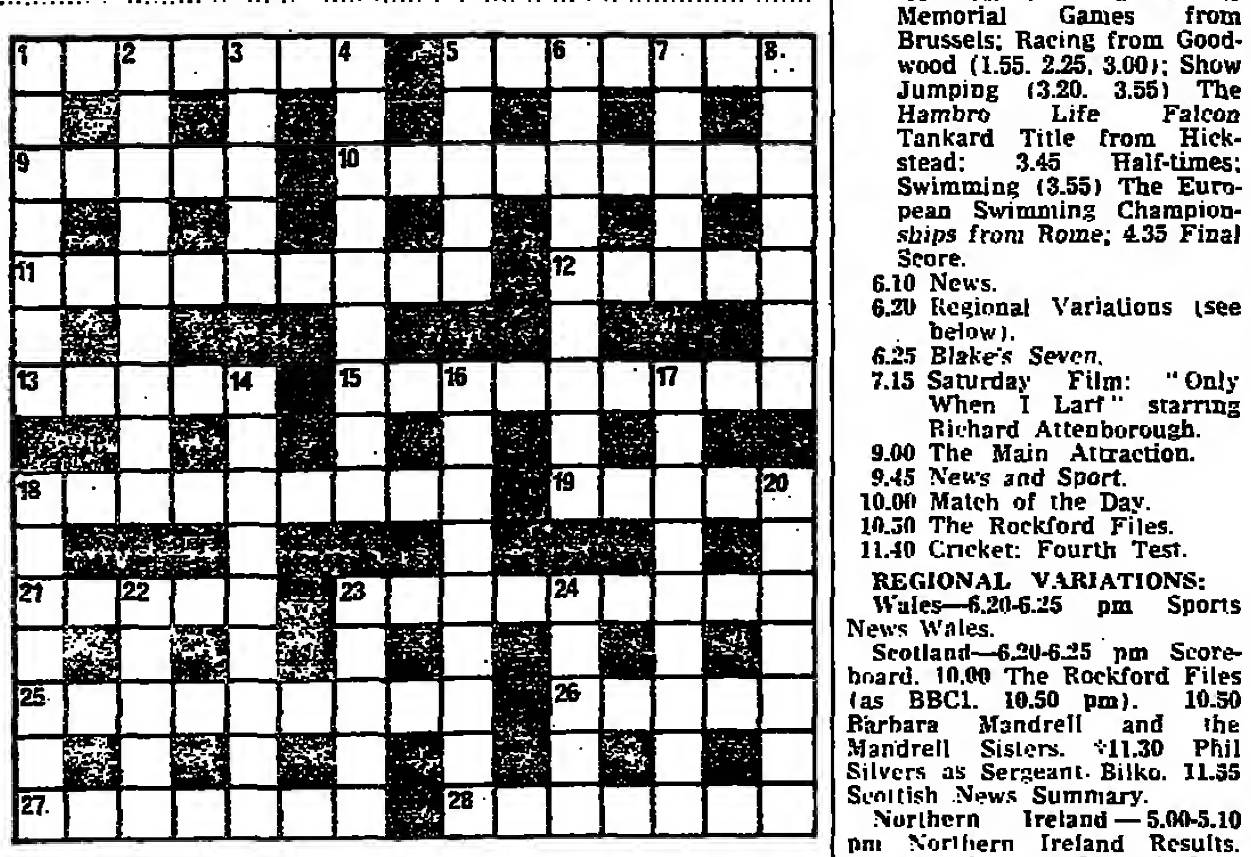
In video, Visconti's wide screen is cruelly truncated and my review copy was blurry to boot. But there are virtues here you can never vanquish. Visconti was the greatest painter manqué who ever came to movies—if he had been born 500 years ago it would have been as Titian—and Bogarde's ashen-faced fusspot of a composer, wrapping himself in blankets and dabbing himself with genteel lust and *eau de cologne*—is a *tour de force*.

F.T. CROSSWORD PUZZLE No. 5,202

A prize of £10 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10 Cannon Street, London EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....



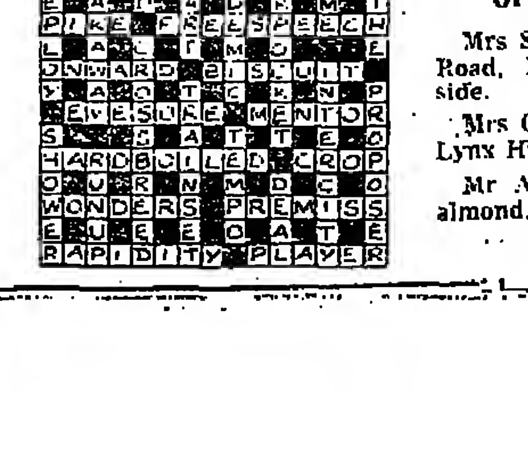
ACROSS

1 Material to choose without end, without end (7)
5 Its inhabitant must be patient (4, 3)
9 Little beast, maybe fat (5)
10 Number turning pale, in growth, for charity (3, 2, 4)
11 Extra run, result of coup? (9)
12 River — Coleridge's sacred one—given to Emerson (5)
13 Poetically under Welsh town (5)
15 He checks various things—not prices, for a change (9)
18 Pen leaked, producing about three inches of liquid? (5, 4)
19 It is not, vulgarly, infection (5)
21 Rich headdress: it upset a painter (5)
23 Number on a bone with vegetable at sea (9)
25 None cried out for a gland (9)
26 "Theirs but to — and —" (Tennyson)—writer Smith! (5)
27 In a fiddle you appear, neither lost nor stolen (7)
28 You appear again in incident still (4, 3)

DOWN

1 Food for Dad—hackneyed stuff (7)
2 Drink for pupil and sailor (9)
3 Tempt holy man with date (5)
4 Company's drawback, being on the rocks, is lack of nerve (9)
5 Tameable insectivore? (5)
6 Fitting as triangles (9)
7 Row made by British Rail foul (5)
8 Drainage worker, said to be expensive in France (7)
14 Call for a cherry, possibly, in the pecking order (9)
16 Excellent thing to sow, we hear, to replace previous ones (9)
17 New way at dice, taken morning and evening? (5, 1, 3)
18 With no paintings unaffected? (7)
20 What the sun can do to a fellow is touching (7)
22 Tree for man of council (5)
23 Man's father, according to Wordsworth (5)
24 Move a lot of cagebirds (5)

Solution to Puzzle No. 5,201

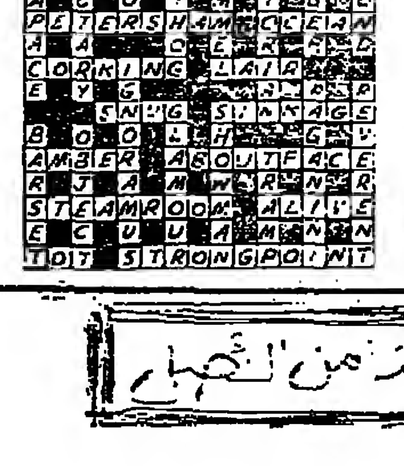


SOLUTION AND WINNERS OF PUZZLE NO. 5,196

Mrs S. M. Gaskill, 63 Ferriby Road, Hessle, North Humberside.

Mrs C. J. Kramer, La Ruana, Lynx Hill, East Horsley, Surrey.

Mr A. E. Hollocks, 10 Glenalmond, Norwich, Norfolk.



† Indicates programme in black and white.

BBC 1

6.25 am Open University. †8.55 Leon Erroll in "Wedded Bliss." 9.15 The Get Set Picture Show. 10.52 Weather.
10.55 Grandstand, including 1.05 News Summary; Cricket Fourth Test (11.00, 12.45, 1.40, 2.10, 2.40, 5.10) England v New Zealand; Football Focus (12.15); Athletics (1.10) Ivo Van Damme Memorial Games from Brussels; Racing from Goodwood (1.55, 2.25, 3.00); Show Jumping (3.20, 3.55) The Hambro Life Falcon Tankard Title from Hickstead; 3.45 Half-times; Swimming (3.55) The European Swimming Championships from Rome; 4.35 Final Score.
6.10 News.
6.20 Regional Variations (see below).
6.25 *Blake's Seven.*
7.15 Saturday Film: "Only When I Larf" starring Richard Attenborough.
9.00 The Main Attraction.
9.45 *News and Sport.*
10.00 Match of the Day.
10.30 The Rockford Files.
11.40 Cricket: Fourth Test.

REGIONAL VARIATIONS:
Wales—6.20-6.25 pm Sports News Wales.
Scotland—6.20-6.25 pm Scoreboard. 10.00 The Rockford Files (as BBC1, 10.50 pm). 10.50 Barbara Mandrell and the Mandrell Sisters. †11.30 Phil Silvers as Sergeant Bilko. 11.55 Scottish News Summary.
Northern Ireland—5.00-5.10 pm Northern Ireland Results. 6.20-6.25 Northern Ireland News and Sport. 12.10 am Northern Ireland News Headlines.
England—6.20-6.25 pm London—Sport; South West (Plymouth)—Spotlight Sport; All other English regions — Regional News/Sport.

BBC 2

6.25 am Open University.
3.15 pm-6.15 am Rock Around the Clock: 15 hours of rock, music, films, concerts, documentaries.
3.25 Roman Holliday Live in Concert.
4.00 Robert Nesta Manley.
4.35 Rockpop in Concert.
5.25 Australia Now.
6.25 Duran Duran.
7.20 News and Sport.
7.30 All This and World War II.
9.00 10cc Live.
9.30 Randy Newman On Tour.
10.25 Spandau Ballet Over Britain.

11.00 "American Graffiti." Richard Dreyfuss.
12.55 am Airplay—9 June 1982.
1.50 Guitar Heroes.
3.25 "Deadman's Curve" starring Richard Hatch.
5.00 The Police in the East.
5.55-6.15 And So To Bed . . .

LONDON

6.25 am TV-am *Breakfast Programme*. 9.25 LWT Information. 9.30 Sesame Street. 10.30 Star Fleet. 10.55 Here's Boomer. 11.20 Space 1999.
12.15 pm World of Sport: 12.20 Powerboat Racing; 12.45 News; 12.50 On the Ball; 1.20 The ITV SIX from Newmarket and Newcastle (introduced by John Oaksey and Derek Thompson); 2.55 Powerboat Racing; 3.25 Cycling—the World championships from Zurich; 3.45 Half-time Soccer News and Reports; 4.00 Wrestling; 4.45 Results.
5.05 News.
5.15 The Smurfs.
5.30 Catweazle.
6.00 Happy Days.
6.30 Chips.
7.30 Ultra Quiz
8.15 Saturday Royal.
9.15 News.
9.30 pm Adult Movie: "Joseph Andrews" starring Ann-Margret.
11.20 London News Headlines, followed by Genesis in America.
12.25 am Close: Sit Up and Listen with Harvey Gillman.

CHANNEL 4

†2.50 pm When Comedy Was King (1959).
4.20 Corral
4.35 Well Being.
5.05 Brookside.
6.00 Hot For Dogs.
6.30 News Headlines followed by A Working Faith.
7.00 Take The Stage.
7.35 Feelin' Nice Now.
9.00 The Charterhouse of Parma.
10.05 *Caleb Williams.*
†11.05 "Unfaithfully Yours," starring Rex Harrison.

S4C (WALES)

All IBA Regions as London except at the following times:

ANGLIA

... Centre of the Earth," starring Pat Boone, *James Mason and Arlene Dahl*. 12.25 am At The End of the Day.

BORDER
9.30 am Cartoon. 9.40 Fangface. 10.05 Metal Mickey. 10.30 Film: "The Bushbaby." 5.15 pm Film: "Journey to the Centre of the Earth," starring Pat Boone and James Mason.

CENTRAL
9.25 am The Wonderful World of Professor Kitzel. 9.30 Freeze Frame. 10.00 Fractured Fables. 10.05 Vicky the Viking 10.30 Saturday Morning Cinema: "The Iron Maiden," starring Michael Craig. 5.15 pm Starring James Mason: "Journey to the Centre of the Earth."

CHANNEL
9.25 am Saturday Space—Stingray. Space 1999, and Puffin's Space. 5.15 pm Puffin's Pla(i)ce. 5.20 Cartoon Time 5.25 Feature Film: "Two Rode Together"

GRAMPIAN
9.35 am The Smurfs 10.05 Metal Mickey. 10.30 Feature Film—"The Iron Maiden" starring Michael Craig. 5.15 Feature Film—"Journey to the Centre of the Earth" starring James Mason and Pat Boone 11.20 SPGA Championship—highlights from today's third round from Dalmahoy Golf Club. 12.20 am Reflections

GRANADA
9.25 *am Larry the Lamb* 9.35 *Falcon Island* 10.00 Vicky the Viking 10.30 Saturday Matinee: "Battle Beneath the Earth," starring Kerwin Matthews. 5.15 pm "Journey to the Centre of the Earth," starring Pat Boone and James *Mason* 12.25 *am Whatever Happened to the Heroes?*

HTV
10.25 am "Captain Sinbad" 11.50 Spiderman 12.13 pm HTV News. 5.13 HTV News 5.15 "The Sundowners," starring Deborah Kerr Robert Mitchum and Peter Ustinov

SCOTTISH
9.25 am Storytime 9.35 Private Benjamin 10.05 Metal Mickey. 10.50 Saturday Matinee: "The Great Wallendas (TV movie). 5.15 pm "Journey to the Centre of the Earth" starring James Mason, Arlene Dahl and Pat Boone. 11.20 SPGA Championship (highlights). 12.05 am Late Call

TSW
9.25 am Dick Tracy 9.30 Freeze Frame 10.28 Gus Honeybun's Magic Birthdays. 10.30 Metal Mickey. 11.00 Little House on the Prairie. 11.45 The Pruitts of Southampton. 12.12 pm TSW Regional News. 5.15 Newsport. 5.20 Cartoontime. 5.25 Feature Film: "Two Rode Together" starring James Stewart, Richard Widmark and Shirley Jones. 12.25 am Postscript.

TVS
9.25 am Cartoon. 9.35 The Smurfs. 10.05 Metal Mickey 10.30 "Four Against the Desert." 12.12 pm TVS Weather 5.15 "Journey to the Centre of the Earth" starring James Mason Arlene Dahl and Pat Boone. 12.25 am Company

TYNE TEES
9.25 am Morning Story. 9.30 The Lone Ranger 10.00 TT Time 10.05 Metal Mickey. 10.30 Cartoon Time. 10.45 Morning Movie "The Black Swan," starring Tyrone Power and Maureen O'Hara 12.13 pm North East News 5.10 North East News. 5.15 "Journey to the Centre of the Earth" starring James Mason Arlene Dahl and Pat Boone 12.25 am Poet's Corner.

ULSTER
10.05 am Metal Mickey 10.30 Feature Film: "The Day the Earth Caught Fire" starring Janet Munro and Leo McKern 12.48 pm Lunchtime News 5.13 Ulster News 5.15 Feature Film "Journey to the Centre of the Earth" starring Pat Boone James Mason Arlene Dahl and Diane Baker 9.29 Ulster Weather. 12.26 am Sports Results 12.30 News at Bedtime

YORKSHIRE
9.25 am Regional Weather Forecast, followed by Popeye 9.40 Little House on the Prairie 10.30 "Hot Rod" 5.15 pm "Journey to the Centre of the Earth" starring James Mason and Pat Boone

RADIO 1
(S) Stereo Broadcast
6.00 am Tony Blackburn's Saturday Show 10.00 Dave Lee Travis 1.00 pm Rock Lists Show (S) 2.00 A King in New York (S). 2.05 Paul Gambaccini (S) 4.00 Saturday Live (S). 6.30 In Concert (S). 7.30 Janice Long. 10.00-12.00 *Gary Davies.*

RADIO 2
8.05 am David Jacobs (S). 10.00 Sounds of the 60s (S). 11.00 Album Time (S). 1.00 pm Punch Line. 1.30 Sport On 2: Cricket: England v New Zealand in the Fourth Cornhill Test, plus the County Championship: Football including from 3.55, live second-half commentary on a top League match; Swimming: European Championships, final day in Rome; Racing from Goodwood at 2.00 and 3.10; 5.00 Sports Report 6.00 Country Greats in Concert. 7.00 Three in a Row. 7.28 Cricket Desk. *7.30 Big Band Special (S). 8.00 The* Magic of Offenbach (S) including, 8.45-8.55 Interval Talk. 10.00 Saturday Rendezvous: Billy Eckstine, Blossom Dearie and the Stan Reynolds Big Band (S). 11.02 Sports Desk. 11.10 Pete Murray's Late Show (S). 2.00-5.00 am *Bill Rennells* presents You and the Night and the Music (S).

RADIO 3
8.00 am News. 8.05 Aubade (S). 9.00 News. 9.05 Stereo Release (S). 10.40 Equale Brass (S). 11.30 Academy of St Martin-in-the-Fields concert, part 1: Vivaldi, Sorelli, Gordon Jacob (S). 12.15 pm Interval Reading. 12.20 Concert, part 2: Tchaikovsky. 1.00 News. 1.05 Brahms Lieder (S). 2.00 Sir Adrian Boult (S). 5.00 Jazz Record Requests (S). 5.45 India: A Cacophony of Cultures. 6.30 Peter Hurford recital on the organ of Sydney Opera House (S). 7.20 Stories of Horsemen by Jorge Luis Borges. 7.30 Proms: from the Royal Albert Hall, part 1: Mozart, Strauss. 8.30 A Closer Look: Vernon Scannell on Siegfried Sassoon. 8.50 Proms part 2: Weber, Hindemith. 9.45 The Red Star and the Cross. 10.30 Czech Cello and Piano Music (S). 11.15-11.18 News.

Medium Wave as VHF except: 10.55 am-6.30 pm Cricket: Fourth Test—England v New Zealand at Trent Bridge, including 1.05 News, 1.10 A View from the Boundary: Dusty Hare, 1.30 Lunchtime scoreboard.

RADIO 4
7.00 am News. 7.10 Today's Papers. 7.15 On Your Farm. 7.45 In Perspective. 7.50 It's a Bargain. 7.55 Weather; Travel; Programme News. 8.00 News. 8.10 Today's Papers. 8.15 Sport On 4. 8.48 Breakaway, including 8.57 Weather: Travel and 9.00 News. 9.50 News Stand. 10.05 Talking Politics 10.30 Daily Service (S). 10.45 Pick of the Week (S). 11.35 From Our Own Correspondent. 12.00 News: A Small Country Living. 12.27 pm Quote . . . Unquote (S). 12.55 Weather; Programme News. 1.00 News. 1.10 Tales from the South China Seas (S). 1.55 Shipping Forecast. 2.00 News; Thirty-Minute Theatre (S). 2.35 Medicine Now. 3.05 Wildlife. 3.30 Women of Mystery. 4.00 News: International Assignment. 4.30 Does He Take Sugar? 5.00 Here's Looking at You Kid: Ingrid Bergman. 5.25 Whizzalongawavelength with the National Revue Company (S). 5.50 Shipping Forecast. 5.55 Weather; Travel. 6.00 News; Sports Round-up. 6.25 Desert Island Discs (S). 7.20 In the Psychiatrist's Chair: Playwright Peter Nichols talks to Dr Anthony Clare. 8.00 Richard Baker with music on record (S). 8.30 Saturday-Night Theatre: "The Cricket Match" by Hugh de Selincourt. 9.58 Weather. 10.00 News. 10.15 *Shark Attack* (S). 11.00 *Soundings* (S). 11.30 Scenes from Village Life 12.00 News.

CHESS SOLUTIONS

Solution to Position No. 479

1 RxP! PxR; 2 QxP ch, K-R1; 3 B-Q3, B-B4; 4 BxB, RxB; 5 QxB ch! and Black resigned. If KxQ; 6NxR ch and 7 NxQ with a piece ahead.

Solution to Problem No. 479

1 B-N1 (threat 2 N-R2 ch, KxB; 3 N(5)-B3 mate). If 1 . . . PxB=Q; 2 N-R3, Q moves; 3 N-R2 mate. If 1 . . . PxB=R; 2 N-Q4, P-R6; 3 N-N3 mate. If 1 . . . PxB=N; 2 N-R2 ch,K-B7; 3 N-Q4 mate.

WINE/COLLECTING

£600, a good price for a bottle of claret

BY EDMUND PENNING-ROWSELL

IN THE auction sale year, recently ended, both Christie's and Sotheby's recorded increases in net turnover, particularly the former, which rose from £2.84m to £3.73m for its sales in London. Sotheby's, who in recent years have not been catching up with their rival, as at one time seemed likely, increased their home sales total from £1.65m to £1.77m.

In addition, Christie's held sales in Geneva, Amsterdam and in Chicago, where they are now well established. Their net total for these overseas sales was £1.03m (£0.64m), but Sotheby's, who did not sell in the U.S. last year—they, like Christie's are hoping for a change in the New York State laws that will overcome the fierce opposition of the local merchants — only took £82,000 in two auctions in Geneva.

In view of the fact that there were no large-scale trade sales or important sales of rarities, both houses did well to move ahead in a still depressed home market for the more expensive wines of mature vintages. The reason for their success is, of course, the recovery in the always volatile American market, as reflected in the strong dollar and the weak pound and French franc. The jump of Christie's overseas turnover is almost entirely accounted for by their four sales in Chicago: two more than last year, and they took almost double the amount: £708,000 compared with £369,000.

The renewed American interest, which began early last year, has been even more clearly shown in the leap in the prices of leading clarets: the wines above all that Americans like to cellar and, one hopes, draw their corks in spite of the prices paid.

For example, if not exactly typical, a case of Mouton-Rothschild 1945 was sold to an American buyer at Christie's in June for £7,200. £600 is a good deal of money to pay for a bottle of wine that in fact is not all that rare, for it had appeared at least three times previously in the current year, when its top price had been £3,100 a dozen: still £800 higher than the 1982 top price.

I scarcely dare confess that within the year I have opened one of my few bottles of this wine. But then it was chiefly for an old friend and celebrated claret amateur, Harry Waugh, who had sold me the bottle in 1950 when he was with Harveys —for 18 shillings. Yet, unless outside circumstances dictate, to be influenced by the state of the market about which corks to draw is to my mind a denial of what fine drinking is about. (Nor should one's guests be embarrassed by mention of the current auction price.)

To return to the saleroom, other record prices (with last year's top prices in brackets) for other first-growths of this much esteemed vintage included £2,800 (£1,300) for Latour, £1,250 for six bottles (£940 for six) for Lafite, £1,900 (£1,250) for Haut-Brion, £1,800 (£1,240) for Ch Margaux, £530 for six bottles (£110 a single bottle) for Cheval-Blanc; and, right at the end of last month £520 (£340) for a single bottle of the exceedingly rare Pétrus which produced very little wine in that extremely short first post-war vintage.

As will be seen, the percentage increase in price is very steep, and Patrick Grubb of Sotheby's comments that: "overall prices for any wines of good quality have escalated by 30-50 per cent since last September."

Much the same has applied to such sought-after vintages as 1961, 1966 and 1970. Lafite '61 has risen to £2,300 (£1,500), Mouton-Rothschild '61 to £2,000 (£1,250), Ch Margaux to £1,760 (£1,100) and Latour to £1,650 (£1,300).

Pétrus, which produced only 1,750 cases that year, did not appear in the saleroom this season, but to judge from its performance for other vintages, it would have well exceeded the £2,160 a dozen it made in 1982. Pétrus is the wine that every affluent American collector wishes to have in his cellar, and since most of these have not been collecting all that long they rely to a great extent on the London salerooms, who in their turn often draw their wines from British private cellars.

Among top prices realised for some vintages of Pétrus in the last 12 months, with the previous year's record in brackets, were 1966—£1,600 (£1,200); 1970—£1,650 (£1,150); 1975—£1,050 (£820); 1976—£580 (£440); and 1978—£750 (£520). Since the opening price for consumers in Britain for 1982 is unlikely—when duty and VAT is paid in 1985—to be less than £550 a dozen, the prices paid for the vintages of the Seventies were in Pétrus terms not excessive. It should be added that its ex-château price is no higher than for the other premiers crus: FFr 170 a bottle for the 1982: to which has to be added brokerage, the Bordeaux merchant's profit and shipment.

Not all the top prices listed above have been held, but the tendency has been upwards throughout the season, and they are unlikely to relapse. Nor has the trend differed for the second-growths and their peers. The prices of popular estates such as Ducru-Beaucaillou, Léoville-Las-Cases, La Mission-Haut-Brion and, above all, Palmer, have moved up. The '61 of the last-mentioned has risen from a 1982 top of £980 a dozen to £1,450 by May, the '66 from £420 to £600.

Vintage port, too, after years of neglect, showed a marked rise in the season. A case of the famed Quinta do Noval '31 went for £1,800, while Taylor '35 rose to £740, Dow '27 to £560 and Fonseca '34 to £460. The postwar years shot up, too, with Graham '45 at £1,150 and Taylor '45 going for £820, with the '48 following at £600. The splendid '63s are fetching more in current cash terms — which they are worth — with Taylor going from £140 to £255 and Fonseca from £135 to £200.

Otherwise, it cannot be said to have been a very exciting season. Christie's sold a bottle of Tokay Essence dated about 1740 for £660, and Sotheby's another from the cellar of Augustus the Great of Saxony for £520. A bottle of the rare 19th-century South African Constantia went at Sotheby's for £380. One of Blandy's 1792 madeira went for £260—the vintage that Winston Churchill drank on the island after the last war, commenting that Marie-Antoinette was still alive when it was made.

Christie's took £740 for two bottles of La Tâche 1947, but outside the Romanée-Conti estate, burgundy excites little of the collecting interest that leads to competitive bidding. Nearly the same applies to German wines, though a rare 1921 arouses interest. One bottle of Niersteiner Hipping Trockenbeerenauslese was sold at Christie's for £130. That other famous '21, Yquem, made £170 a bottle, but previously it has been higher, and the top price for this wine was £200 paid in June at Sotheby's for the '29.

The market continues to rely a great deal on American buying, often done via English merchants. If its economy continues to recover and the dollar to remain firm against the pound, prospects in the saleroom are likely to remain good, particularly for clarets, which have been considerably boosted by the great demand on both sides of the Atlantic for the 1982s.

All our comic yesterdays

"WHERE ARE you, Billy Bunter?" asked Adrian Mitchell in his splendid poem, Nostalgia. For the answer go to the Bethnal Green Museum of Childhood in London's East End, where an eye-catching exhibition titled "Penny Dreadfuls and Comics" runs until October 2.

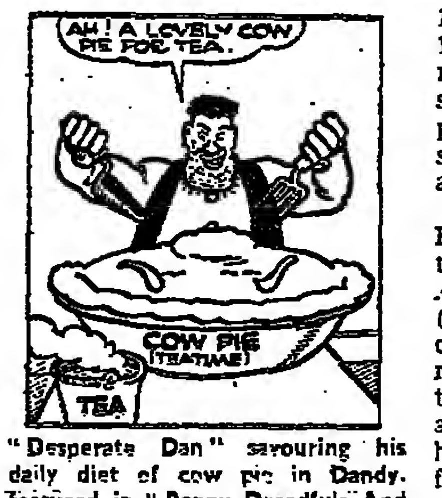
It is as much for adults as children, deputy curator Peter Glenn says, and 71-year-old Norman Shaw, a major dealer in old boys' books and comics, agreed.

There are six storerooms on two floors piled high with books and papers, and the claim of "the largest stock in Great Britain" is obviously merited.

Customers are serious students of nostalgia, among them lawyers, bankers, judges, university lecturers, even newspaper editors. (Sir William Rees-Mogg, former editor of The Times, sold Mr Shaw a collection of "penny dreadfuls.")

Just as a "penny stinker" was a cheap and nasty cigar of the 1860s so a penny dreadful was a cheap boy's paper; the term became one of general abuse for penny-part novels and weekly periodicals mainly devoted to sensational tales about villains, cut-throats and highwaymen, whose activities were often presented in a romantic vein, illustrated by lurid woodcuts.

Almost universally condemned



"Desperate Dan" savouring his daily diet of cow pie in Dandy. Featured in "Penny Dreadfuls And Comics" at the Bethnal Green Museum of Childhood until October 2.

as leading to the moral and material ruin of impressionable youth, particularly of the working class, the penny dreadful also infiltrated to the better-off. "It is creeping not only into the houses of the poor, neglected, and untaught, but into the largest mansions; penetrating into religious families and astounding careful parents by its frightful issues," Lord Shaftesbudy said in 1878.

This was the year that Thomas Peckett Prest's String of Pearls, shocker about a barber who cut his customer's throats and dumped them into a cellar, reappeared as Sweeney Todd, the Demon Barber of Fleet Street.

Already serialised in penny-parts previously, this version by G. A. Sala was published by Charles Fox, who about five years later put out a story with the innocent sounding title of The Link Boys of Old London; this was a re-hash of Sweeney's exploits, and in 1892 he surfaced once more as Ruloff the Barber.

But healthy reading for the young was encouarged by The Boy's Own Paper, originally published by the Religious Tract Society. In the first issue on January 18, 1879 the sentiments expressed in My First Football Match were of the purest: "It was a proud moment in my existence when Wright, captain of our football club, that I could distinguish my-came up to me . . . what cared I for hacks or bruises, so only that I could distinguish myself . . ."

Devised as a companion to the BOP (which went on until 1967), the Girls' Own Paper, 1880 to 1908, never quite reached the same circulation or status, even though it aimed at preparing girls "for the responsibilities of womanhood and for a heavenly home."

The comics section of the Bethnal Green museum exhibition traces their history from Ally Sloper's Half-Holiday (1884-1914), his name a pun on the practice of dodging the rent collector by sloping down the alley; and he was really an adult comic character, although he was originally billed as being for "the benefit of old boys, young boys, odd boys generally, and even girls."

The Gem and Magnet, first launched in 1907 and 1908, are a delight with the adventures of Billy Bunter, the Fat Owl of the Remove at Grey Frairs. The early originals are the rare collector's items, says Norman Shaw, who paid £4,000 for the cream of a sale of a mixed bag of 20,000 comics at Sotheby's in June 1975. He hates quoting prices, and there are no lists of his stock.

If you are a serious collector you write to him at 84, Belvedere Road, London SE19, saying exactly what it is that you want. Callers are only by appointment.

A large amount of the exhibition items were bought from Shaw by Kevin Carpenter, the organiser, and author of the splendidly illustrated catalogue. Mr Carpenter belongs to the English Faculty of the Oldenburg University, West Germany, from where the loan exhibition comes.

He admits: "It is perhaps unconventional for an academic institution to purchase this kind of material, but the university has a special interest in children's literature."

Mr Carpenter feels that seen as minor documents of social history, many of the publications offer a fascinating view of the past, reflecting the fads and fears of the age, and recording the way life was seen by those involved.

But perhaps we should not get too serious about it all, and just sit back and enjoy the antics of Sunny Jim and Dismal David (published in 1903 for 16 issues by C. Arthur Pearson), or those of Beryl the Peril,

Sweeney Todd The Demon Barber of Fleet Street in the "Penny Dreadfuls and Comics" exhibition at the Bethnal Green Museum of Childhood until October 2.

drawn by David Law for Topper in 1953.

Comics can still be bought reasonably. A Champion of 1950-53 could be 50p, and £1.50 would buy something from the Boys' Friend library, while Magic with a short run (it finished in 1939), would make quite a bit more, dealer/collector Sarah Baddiel told me.

She is also hesitant about giving prices, but does issue catalogues from her stand, B12, The Book Gallery, Gray's Antique Market in the Mews, 1-7 Davies Mews, London, W1 (01-408 1239). She is open Monday to Friday, 10.00-6.00.

The exhibition is open Monday to Thursday and Saturday, 10.00-5.50 (closed Friday), and 2.30-5.50 on Sunday. The catalogue is £4.95, plus 55p postage, from Bethnal Green Museum of Childhood, Cambridge Heath Road, London, E2.

For extra reading there is Denis Gifford's Discovering Comics, 1971, in the Shire Publications paperback series, and The British Comic Catalogue 1874-1974 by the same author. (Gifford has been collecting comics since he learned to read on Chick's Own, and drawing comics since he contributed "Magical Monty" to All Fun in 1942 at the age of 14!)

June Field

Roll up the map of the world

BY GAY FIRTH

"NEW ZEALAND has a doubtful future, you know. With the continuing northward drift of Australia, New Zealand will split into pieces along the Plate margin. It will cease to exist."

Peering over his spectacles into the next 50m years or so, John Bartholomew, editor of the new Bartholomew Family History of the World, has some startling predictions for our planet. Cartographic director of the firm—map-makers to the Queen, The Times, and many another sublunary of substance, like Oxford University Press—he stands squarely in a tradition of inquiry, accuracy, and excellence established over five generations of Bartholomews, since the first John set up the Edinburgh company in 1826, employing his father, George, as map-engraver. "I dare to claim kinship with Ptolemy, too, graphy, without realising it, in his earth-centred universe. Our new thematic sections are designed to stimulate atlas users into better understanding of the major problems besetting our world."

As well as 80 pages of maps, 11 "thematic" sections show energy resources, famine and plenty, solar exploration, transport networks, and population around the world. Stop fretting about China: projections show that India's teeming millions will double between 1981 and 2014.

Dramatic diagrams illustrate the theory of Plate Tectonics, a modern revolution in understanding the earth's unstable, shifting, occasionally erupting crust. There are graphics showing the average life expectancy in each continent: 74 years in Latin America, 45 in Africa.

"Co-operation and Confrontation" gives economic groupings, political alliances, and the balance of terror: world distribution of military power: conventional and nuclear weaponry. Like the rest of us, the atlas relies on International Institute of Strategic Studies statistics: but John Bartholomew remains calmer than most in the face of Armageddon. He has other kinds of global upheaval on his mind.

"It seems likely that a new ocean could evolve, on the East African rift system. And the Atlantic will widen further, with continued spreading of the Red Sea, and closure of the Persian Gulf."

Come the day, it seems at least as likely, on present evidence, that a Bartholomew will

The firm has been from the beginning, is now, and with any luck always will be, cautious, practical cartographers; meticulous recorders of the known world and its phenomena: painstakingly pushing back the boundaries of the unknown.

"The China maps here are better than those we did for The Times Atlas. China is better known now, and we have good relations with cartographers in Peking."

No atlas is ever up to date on publication, and John Batholomew says that hundreds of corrections have already been collected for next year's edition. But families at the round earth's imagin'd corners, even in New Zealand, will find in it a lot of fun and interest.

* Bartholomew Family Atlas of the World. John Bartholo-

SPORT

Bob Fisher reports on the America's Cup

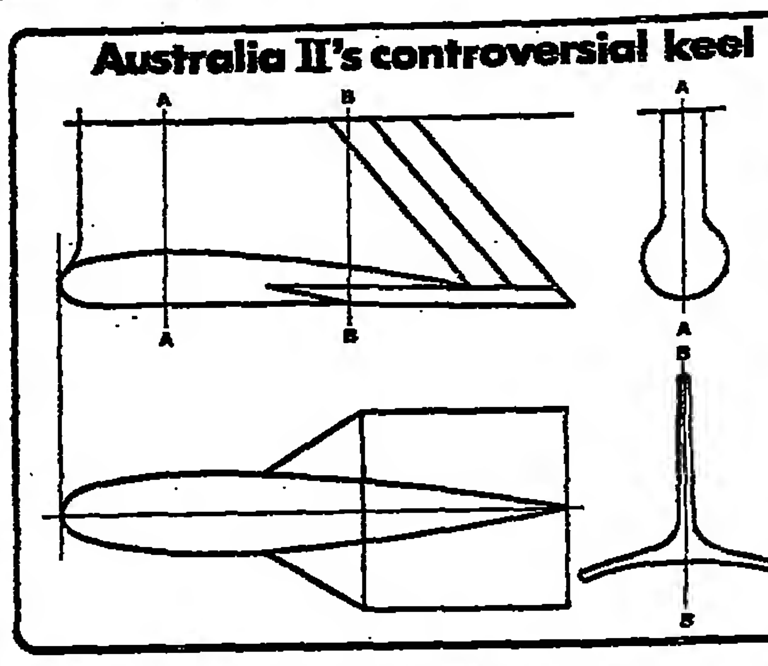
In the wake of the keel row

AMERICA IS still favourite to retain the America's Cup, despite the most concerted counter-attack ever made in its 132 years' history. With seven boats from five nations now down to Britain's Victory '83 and Australia II for the finals of The Challenger Election Trials, the New York Yacht Club is better able to assess its chances of a successful defence by its choice from Liberty, Defender and Courageous.

Experience is where the Americans generally score. Their database of 12-Metre knowledge is greater than any and in the past three years one of their syndicates—the successful one in 1980 with skipper Dennis Conner—has extended the path of knowledge further by building four new boats to test against Freedom, the winner in 1980. The final one, Liberty, is the New York Yacht Club's favourite for the defence but as yet has not proved to be the best.

It is the 1974 and '77 defender Courageous which has the best record so far in the final trials. Her nine wins include five against Liberty while she has lost to her only once. Her helmsman, John Kolius, is in his first Cup campaign, a 32-year-old Texan with an impressive previous record including an Olympic silver medal, and he seems totally unimpressed by the records of others, including Dennis Conner, and not overawed by the aura of the America's Cup. He could well be the one to champion the New York Yacht Club's cause this year and is more likely than not to be the winner.

However, the NYYC is desperately worried as can be seen from the efforts it is making to discredit both the British and Australian challengers. Australia II poses, in the club's eyes, the greatest threat ever to the tenure of the cup in its West 44th St club house. The radically different design of the Australian 12-Metre yacht has set the establishment figures of the NYYC rocking on their



An artist's impression from the "Seahorse" magazine of three views of the keel. The doubly-articulated trim tab on the after end contributes to awesome manoeverability. The boat is said to be able "to turn on a sixpence."

heels. They have convinced themselves that Australia II is measurably faster due to the winged torpedo configuration of its keel.

The Australians have done everything possible to protect the secrecy of its shape and thereby created around it an aura that is psychologically distractive to the opposition.

Ben Lexcen, the Australia II's designer, wanted to find a way round the problems associated with making a light displacement 12-Metre stand upright to cary her big sail area in a stiff breeze. His bulb and wing-shaped keel with its trim tabs carries the weight lower than any conventional counterpart and makes the keel hydrodynamically more efficient.

Lately the NYYC has spent great time and effort trying to discredit Lexcen, alleging that the design was that of the Netherlands Ship Model Basin at Wageningen but the Dutch team there, led by Dr van Oossanen, has stoutly denied this. Now there are signs that this battle is over as Emil (Bus) Mosbacher, the vice-commodore of the NYYC and himself a successful America's Cup helmsman, has sought to reach agreement with the Australians that the keel is legal.

But Australia II, to be the challenger when the Cup races start on September 13, will first have to beat Victory '83 and that is by no means the foregone conclusion it was in the eyes of most people at the beginning of this summer. Peter de Savary's $8m campaign is peaking at just the right time.

Now de Savary is convinced that the crew of Victory '83 has the confidence to attack Australia II on a level basis—that they are not over-awed by Lexcen's design. They have tried wings on Victory 83's keel and know that there is no magic in that. It will be "simply a matter" of out-sailing Australia II to win. That will not be easy as the experience level of the crewmen on Australia II is greater than on any 12-Metre in Newport.

John Barrett writes from Flushing Meadow

A four-timer for McEnroe?

WITH THE start on Tuesday of the $2m U.S. Open, the world's richest tennis tournament where the prize money for men and women is equal with $120,000 going to each winner, the 1983 season comes to its peak.

What a climax it promises to be on the fast asphalt at the U.S. tennis centre in Flushing Meadow Park with all of the top 20 men competing and all of the top women present except Bettina Bunge who has a leg injury and Billie Jean King who retires at last to the TV booth after an epic career spanning 25 years.

All four of the top seeded men have something to prove and last Thursday's draw posed problems for all of them. John McEnroe at No 1, whose three year run was ended unexpectedly in the semi-final last year by Ivan Lendl (who is seeded two this time) must show us that his recovery is complete.

To reach this year's final he must first pass Bill Scanlon of Dallas who often gives him trouble and the fast-serving Wimbledon semi-finalist Kevin Curren as well as defending champion Jimmy Connors, the third seed this year.

Connors, whose 13th U.S. Open this will be, has won the title four times and he will count himself unlucky to be in the top half though neither Gene Mayer (seeded 11) nor Guillermo Vilas (seeded 6) should prevent him from reaching the semi-final for the 10th successive year.

In the lower half Lendl, the No 2 seed, is anxious to end the doubt about his ability to win a first major title and he comes to the tournament with mixed feelings.

It is a reflection of the paucity of home talent that the only British man in the draw—and a wild card entry at that—is John Lloyd who has a first-round match against Bernie Mitton of South Africa for a chance to play the No 10 seed Jose Higueras of Spain.

If the seeding works perfectly the last 16 in draw order will be: 1, McEnroe (U.S.) v 16 Scanlon (U.S.); 10 Higueras (Spain) v 7 Curren (SA); 3 Connors (U.S.) v 11 G. Mayer (U.S.); 14 Teltscher (U.S.) v 6 Vilas (ARG); 8 Clerc (ARG) v 9 Arias (U.S.); 15 Gerulaitis (U.S.) v 4 Noah (France); 5 Wilander (Sweden) v 13 Denton (U.S.); 12 Kriek (U.S.) v 2 Lendl (CZ).

Last Sunday in Cincinnati Wilander completed his preparation perfectly with a confidence boosting 6—4, 6—3 win against McEnroe, but I shall be surprised if the left-handed New Yorker does not put that defeat out of his mind and add to his Wimbledon success with a fourth victory at Flushing Meadow.

So dominant has Martina Navratilova been this year that one is tempted to give her a first U.S. Open title before a ball has been struck. Yet there is still a tiny questionmark about her ability to win the really big championships.

She lost only three times in 1982—all in major events (to Sylvia Hanika in the Avon Final; to doubles partner Pam Shriver at last year's U.S. Open and to Mrs Lloyd in the Australian Open).

Her only loss this year in 11 tournaments was to Kathy Horvath at the French Open. It is a formidable record.

Even Mrs Lloyd's undoubted talent and tenacity has been overtaken by the former Czech's advance in technique and mental application. A new coach in Mike Estep (a replacement for Renee Richards following the French loss) and the continuing relationship with trainer Nancy Lieberman has made the athletic Miss Navratilova virtually invincible.

However, if there is an element of self doubt still lingering behind the super-confident facade that Martina presents to the world nowadays this is the very place for it to be exposed.

However, even the draw has been timed to the No 1 seed, for Hana Mandlikova, who on a good day is capable of beating her, is in the lower half with Mrs Lloyd and Tracy Austin so that Andrea Jaeger is the only logical threat to a place in the final.

Curiously, though, two of the four who last beat her are in the same half—Miss Hanika, seeded 7, who would be a quarter-final opponent and the fifth seed Miss Shriver who must secretly believe she could repeat last year's win.

Of the three British women accepted direct only one is seeded. Jo Durie at No 14 has an awkward first match against the No 1 South African Ros Fairbank who has a nasty habit of scoring upsets, but if she survives Jo should have a chance against the No 4 seed, Miss Austin, whose continuing injuries have left her woefully short of match play.

The women's seeds in draw order are: 1, Navratilova (U.S.) v 15, Ruzici (Rum.); 9, Temesvari (Hun.) v 7, Hanika (W. Ger.); 3, Jaeger (U.S.) v Kohde-Kilsch (W. Ger.); 11, Potter (U.S.) v 5, Shriver (U.S.); 6, Turnbull (Aust) v 12, Rinaldi (U.S.); 14, Durie (GB) v 4, Austin (U.S.); 8, Mandlikova (Cz.) v 10, Garrison (U.S.) and 16, Cawley (Aust.) v 2, Evert Lloyd (U.S.).

With today's big kick-off in mind . . .

Try a Scouse pilgrimage

TODAY is the big kick-off with all the League soccer clubs looking for goals—and money.

Liverpool's new manager, Joe Fagan, would settle for things as they are, with a little bit extra.

That little big extra may be supplied by Merseyside's tourist officer, Ron Jones, who is organising soccer weekends for visitors to Liverpool or Everton.

They are available from next Friday at a top price of £38 a head. For that you get two nights in a five-star hotel, stand seats for Liverpool or Everton (according to which team is at home), a coach seat to the game, a tour of Anfield or Goodison Park, a sight-seeing trip and discount vouchers for shops and restaurants.

What a marvellous birthday present for a football-crazy friend, says Jones.

A similar package is also going on offer in Southampton next month at a cost of £40 a head, though the hotel will only be three star. But Southampton weekends will finish with a on the Sunday.

The Southampton scheme, which is being run by the city's publicity assistant, Tim King, will be less ambitious than Merseyside's.

It will operate for only 10 matches in October, November, March and April and will be aimed at family groups supporting the visiting team playing Southampton at the Dell.

"Bad weather could put people off," says King. Numbers will be confined to 50 per weekend.

Merseyside, however, has a distinct edge as the home of mighty Liverpool, who would no doubt win the kitchen sink to add to everything else in their trophy room if it were put up to be played for.

Liverpool have fans all over the world and it is these that Ron Jones is aiming at as his prime market. He thinks the birthday present idea is likely to be one of the most successful aspects. The packages will run every weekend throughout the season.

for several matches and got between 50 and 180 takers — the peak being for Liverpool's last match of the season against Aston Villa.

He expects at least a similar level of response but is ready to cope with 400 at a time. His price structure, incidentally, is geared to the type of hotel and ranges down to £28 a head. He has the package on offer at most high street travel agents.

He admits that the risky side of the venture will be the Everton weekends, but here he says that supporters of visiting sides could provide the answer as at Southampton. It would be "plain daft" not to use the fact that there is a First Division football match on Merseyside every Saturday.

Jones is also looking for foreign visitors. Already one Memphis travel agent has asked for a regular allocation to sell to Tennesseeans holidaying in the UK or looking for unusual things to do during weekends while on business trips.

Ian Hamilton Fazey

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Growth back on the agenda

THIS is a story in two parts. The first is familiar, and looks terribly gloomy; the second part does not.

For more than a decade before the great inflation which took hold under the premiership of Edward Heath, economic growth was the main subject of British politics. *We have* been struggling with inflation ever since.

It is not altogether a compliment to Mrs Thatcher that we now seem to be *preparing for a* second innings of growthmanship. The inflation performance is certainly a great deal better, but the problem is not yet solved. However the growth outlook, according to the consensus of forecasters, is now so *bad that this seems the greater* problem.

Social spending

Since unemployment has been rising with little interruption for more than a decade, it is surprising in a sense that slow growth has been accepted so passively; but for two reasons, public opinion has been fairly quiet—and indeed remains so. First, it is pretty generally understood that British industry is dreadfully sloppy by international standards; the demise of incurably inefficient industries and the reduction in manpower in those which are still capable of driving for improved productivity, is widely seen as inevitable. Indeed, it now seems that even the TUC accepts the fact that high unemployment is likely to persist for a long time; according to *Mr Len Murray*, the trade union issue now is a fairer sharing of the available work. Nobody is talking as if the sort of growth which would reduce unemployment significantly—something over the old target of 4 per cent, to judge by recent productivity figures—is achievable.

But if the public is becoming resigned to a sluggish economy, the Government cannot afford to be. The reason is stark: the population is now ageing, and the country must carry an increasing burden of social spending over the next decade.

If we are to carry that burden *without imposing a steadily* increasing load on the working population we need growth—an average of 2½ per cent annually just to prevent the tax *burden from rising. Yet according* to most of the pundits—the National Institute, supported by a majority of brokers—to achieve even this sluggish average *will be a forbidding problem*. Our present recovery, they say, will soon peter out, as real incomes stop rising, and we will be dependent on exports and investment for any future growth. Investment is falling, and the last rade figures were terrible.

Are things really as bad as all that? The Government is at any rate preparing for the worst, as is only prudent; the agonised drive for economies in public spending is the result. It might make it possible to *avoid large tax increases; and* in any case the job is worth doing for its own sake.

Understated

However, there are reasonable grounds for hoping that things may be better than they seem. First, the figures which lie behind much of the gloom—the sluggish output index—are very probably wrong. This is not because economic statistics are *inaccurate, though they are*—it has just emerged, for example, that the published figures for public sector capital investment last year were understated by no less than 20 per cent. What is more important, they are not only inaccurate, but probably biased towards gloom.

This is because the output index is overdue for rebasing. An accurate index must reflect the structure of the economy as it is, not as it used to be; otherwise, to *illustrate from* an imaginary example, you might get gloomy about the appliance industry because of falling sales of spin-driers. You may *also leave brand new industries*—computer software or videotapes — clean out of account. Next month we will see an index based on 1980 weights *rather than 1975 weights*; probably just as when the 1975 rebasing was introduced, we will discover that we haven't been doing so badly after all.

The more buoyant expenditure index, which shows growth at over 3 per cent, may be more accurate because the structure of the economy is changing rapidly; and this pace of change is itself a source of hope for the longer term. Britain is now European growth leader in a number of industries of the future—electronics, computing, telecommunications. In*deed, one of our big problems* at the moment is that the European economy as a whole—and it is overwhelmingly our main export market—is more sluggish than ours.

Export opportunity

It is a useful exercise, at times like this, to practise looking at the bright side of everything that is argued as a cause *for gloom: it is usually there*. If our main export markets are depressed, one might say that they have nowhere to go but up. If high real interest rates are *discouraging investment, it is* worth remembering that they encourage consumption, if only because it costs much less to fund pensions. If the dollar is forbiddingly high, that should be an export opportunity. And remember, always, that pundits, even the consensus of pundits, are often wrong—like the ones who said Ian Botham was finished.

PROFESSIONAL FOOTBALL

Sponsors put their shirts on it

As the English soccer season gets underway, Ray Maughan reports on the game's changing financial fortunes and growing dependence on sponsorship....It's a far cry from the days of Alex James (left), Arsenal's 1930s wizard. Charlie Nicholas (right), the club's latest and most expensive signing, has the name of the team's sponsor emblazoned on his shirt

THE ENGLISH soccer season starts this afternoon and, as the 92 clubs in the Fooball League prepare for the *kick-off, they know they are on* trial this year as never before.

Many clubs face severe financial difficulties — as they have for several years — but this season holds out the prospect of a major new source of funds: advertising sponsorship.

● *For the first time*, under a deal struck between the League and the TV companies, broadcast matches will show players with advertisements on their shirts.

● In another first, Canon, the *Japanese electronics* company is to sponsor the League championship to the tune of £3m over three years.

"Football has suddenly received a massive bonus," says Mr Graham Walker, the League's commercial manager.

Nevertheless, the clubs know that the new funds could disappear as swiftly as they have arrived if football fails to *attract the right audiences*—both to the grounds, and more especially to the TV screens. That means playing bright, attractive football and clamping down on hooliganism.

Football sponsorship is not entirely new in Britain. For years advertisement hoardings at club grounds have been visible on TV screens. Some of the more successful clubs have also carried sponsors' advertisements on players' shirts for a few seasons. But *until now the TV companies* have refused to allow there shirts to be shown on the screen.

The breakthrough came this summer when, after months of tortuous negotiations, the *League reached agreement with* the BBC and ITV on a two-year contract for match coverage. For a sum of £5.3m, the BBC is to send out recorded match highlights on *Saturday nights and* the ITV on Sunday. In addition —for the first time—the two will be able to show a number of live matches. In return, they *will allow sponsors to advertise* on shirts during broadcast matches.

What will the advertisers and the clubs each get out of their new relationship?

The sponsors' generosity is *not hard to fathom. Shirt adver*tising deals vary considerably, depending on the status of the club, but some sponsors are understood to be paying several hundred thousand pounds for a three-year arrangement.

Yet, as one advertising agency points out, "with the average First Division club receiving approximately 5½ hours television coverage each season, the *equation would suggest* exposure to the sponsor's product equivalent to £7.5m worth of television advertising."

That said, sponsorship is not nearly as effective as a TV campaign in getting a message and brand name across.

One major sponsorship deal agreed this season is between Queen's Park Rangers, the West London club, and Guinness, reported to be costing the company £450,000 over the next three years.

"We're building up a more *youthful image for the brand*," says Mr Ernest Saunders, Guinness managing director. With advertising targeted at the 21 to 30 year ago group, *football sponsorship seemed* a "must."

Why Queen's Park Rangers? Partly because Guinness has a local brewery. But also, says Mr Saunders, because "we were looking for a team that would be newsworthy. QPR is new to the First Division and has exciting plans under Terry Venables, a shrewd and popular manager."

In sponsoring the League championship, Canon is following in the footsteps of the National Dairy Council, which already backs the League Cup knock-out competition. Milk is seen as a healthy product, and therefore links up well with soccer. Canon's motives are different. Although the company is well-known in the UK for its cameras and business equipment, it felt that its overall corporate image was not keeping pace.

The sponsorship, says Mr Martin Laws, financial director, "means we are associating our company with the biggest and best club football competition in the world. There is no better return on investment than buying quality."

Even before the TV shirt advertising breakthrough, sponsorship was a valuable source of club income. Mr Denis Howell, the former sports minister now heading an inquiry into sponsorship, believes it was worth a total of £8m last season. That compares with just £35.23m earned by clubs in gross gate receipts (less 15 per cent VAT) in 1981-82. Sponsorship income could well rise to £10m this season.

However, this money will not be spread evenly thus widening the gap between the successful *clubs and the small fry*.

Obviously, shirt sponsors are going to pay more to be with the big glamour clubs. The national sponsorship deals by Canon and the National Dairy Council will have a similar effect.

Canon is giving about half the cash to all League clubs on a sliding scale which varies between £10,000 for a First Division team to only £2,000 for a *Fourth Division club*. The balance will be handed over to the leading teams in each league at the end of the season. The championship itself will be *worth £50,000 while top position* in the bottom league will be worth just £8,000.

The Dairy Council has already adopted this method during its *first year's sponsorship*. Its cash hand-outs increase as a club progresses through each round of the competition.

The impact of all this will be *accentuated by a further* change this season in League practices: home clubs are now allowed to keep all gate receipts, whereas in the past *visiting* clubs were given 30 per cent of turnstile income.

The loss of revenue from visits to big stadia, such as White Hart Lane, the home of Tottenham Hotspur, will hit the smaller clubs—which have over *the years lost many of their* spectators to the larger clubs.

According to Sir Norman Chester, who headed a recent inquiry into the Football League, over three-quarters of English spectators now attend matches on the grounds of the 44 clubs in the top two divisions.

But even many First Division clubs are in a parlous financial *state. Report and accounts* from football clubs are invariably late and the information they contain varies between the meagre and the inadequate.

Arthur Andersen, the accountants, found in a recent survey of four First Division clubs that only Ipswich Town made a profit in 1981 — and that was just £198,000, taking into account £200,000 income from lotteries and the like.

The balance sheet analysis was equally instructive. Notts County, for instance, which lost £71,000 last year after lottery income but before dealings in the transfer market, had net worth of just £22,000. Its fixed assets were shown at £1.315m but *long-term debts* were £700,000 and its net current liabilities amounted to £593,000.

The most common explanation of football's financial woes is a *steep decline in attendances*. With a few exceptions, these have slumped—from a postwar peak of 40m to last season's total of 18.75m, a drop of 1.25m paying customers from the season before.

But, as the Chester report discovered, *declining attendances* have a limited bearing on gate receipts. By pushing up prices, installing more seats at the expense of terracing and, not least, by *selling executive boxes* to local companies, the clubs have more than made up for the lack of numbers at the grounds. Between 1958-59 and *1981-82, the report states*, attendances dropped by 40.5 per cent but gross receipts climbed 677.7 per cent against at 540.8 per cent increase in general *price levels*.

Nevertheless, this has not been enough to ward off financial hardship and sponsorship could become a crucial lifeline.

Whether the lifeline will prove long-lasting depends on *the attendance and TV viewing* figures football commands.

Mr Howell, the former Labour minister, fears that the television companies will cut their sports broadcasting. He cites Central TV's withdrawal from midweek horse racing.

Mr John Bromley, head of sport at London Weekend Television and chief negotiator with the Football League for the *independent television* companies, denies that attitudes are changing although he acknowledges that "money is tighter and we are taking a look at every area of product."

He says he is "very optimistic" about the new deal with the League, "provided football gets behind it.

"Football is a nervous sport at the best of times," Mr Bromley says, "I just wish it would get on and produce a decent game."

Additional research by Trevor Bailey and Feona McEwan.

THE AMERICAN WAY—A $1bn TV BASEBALL CONTRACT

BOWIE KUHN, the $250,000 a year Commisioner of Baseball, has run America's No. 1 *national pastime for the past* 14 years. But, as of a fortnight ago, Mr Kuhn is out of a job.

Mr Kuhn's fault, in the eyes of the owners of America's 26 major league baseball teams, was that he was not business like enough. Admittedly, he had recently pulled off a $1bn contract for the TV rights to baseball *games over the next five years* but, as the press was quick to point out, this worked out at an average of only $7.5m per team per season—little more than half the $114.2m received annually from network TV by teams in the National Football League.

So when Mr Kuhn's contract came up for renewal, a group of owners led by Nelson Doubleday, the book publisher, August Busch of the Anheuser - Busch brewing empire and Ted Turner, the broadcasting magnate, decided that a change was needed at the top of the game. They are still looking for a successor, but Bill Simon, the former U.S. Treasury Secre*tary, is understood to be one* of the four candidates on the shortlist for the job.

Although America's baseball teams are still led by *colourful figures, only* a couple of family owned teams remain: the Los Angeles Dodgers and the Minnesota Twins. The majority are run *by corporations*.

Baseball is very big business in the U.S., having bucked the trend to smaller crowds which has hit so many other sports. But the clubs have had to spend heavily on players (salaries of more than $1m a year are not uncommon) and promotion. Each team plays an average 160 games a year and the clubs work hard to keep the fans moving through the turnstiles.

One of the commonest ways of pulling in the crowds is to *give away products such as* caps, baseball bats or tote bags. Hamburger chains such as McDonald's sponsor evenings at some clubs, which they call McDonald's Cap Nights. McDonald's pays for the caps and in return gets a lot of publicity while the club gets higher attendances.

Each club organises its own sales promotions. The major *league Baseball Promotion* Corporation, owned by all the clubs, charts the cost of a promotion and the number of fans it attracts, and passes on *the results to other clubs*. The Dodgers and the New York Yankees, which have large populations on their doorstep, have little difficulty in filling *their grounds, but the Cincin*natti Reds or the Kansas City Royals, which have small catchment areas, *have to go* up to 300 miles away to attract fans to their games. They organise weekend trips with cheap hotel accommodation and school programmes where teachers submit the names of children with the highest marks in class and get free tickets in return.

The U.S. baseball industry is always searching for new sources of revenue. It earns substantial sums from *licensing team logos to* retailers, through a subsidiary of Warner Communications. During the game it is normal for a well-known car *producer, such as Toyota*, to provide a car on the pitch to transport the relief pitcher *from the "bull pen" to the* centre of the field when he is called to play.

Indeed, when Warner Lambert, the major U.S. drug company, had problems promoting Rolaids, its *indigestion tablet it called in* the Baseball Promotion Corporation for help. The result was the Rolaids Relief Pitcher of the Year Award. This has been so successful that stars like the New York Yankees' relief pitcher "Goose" Gossage have clauses in their contracts which say that if they win the award they will get an additional bonus.

William Hall

Letters to the Editor

Chilling

From the Managing Director of Belvedere Limited

Sir,—Does not the letter from the Head of Industrial Relations at *The Industrial Society* (August 24) make interesting if somewhat chilling reading?

If, as he declares, "All of us from both parts of industry *seek to* promote the fullest political freedom," he ought not to engage so readily in the encouragement of division and defence. If he truly means what he says, he must allow an equal opportunity to those on the political extremes to promote *their views in industry*, within the laws of the land.

Nowhere in the letter is there a mention of any means of improving relationships, nor any *encouragement* to comprehend what is within the grasp of companies, if they will only venture outside common business practices. It would be readily possible for BL to lead the world in car manufacture, for they already employ all the talent to attain that eminence.

What the "moles" have to offer is rubbish in terms of individual human need. But it could appear golden to many humans tired of indignity, unnecessary constraints, a debilitating work environment, and a *management sans* eyes and ears to make expression credible.

We can change attitudes, and rid ourselves of language that speaks of "both parts of industry," and "control" of industrial relations.

We *shall change* it as soon as we recognise that subversion, which is practised by manager against manager, as well as by moles, is only possible in work environments that demean the human condition.

Incidentally, mass-production *factories do* not of themselves demean people. Only people do that.

John Ball.
56, Walcot Street.
Bath, Avon

Field-day

From Mr R. N. P. Apsion.

Sir,—If the word "hereinafter" is replaced by "*later*" in legal documents, I foresee a field-day for lawyers called upon to define the meaning.

While we are on the subject of plain English please take care to define the terms used in your own financial news items.

For example, when you state that a foreign make of car, assembled in Britain, is 60 per cent British, do you mean 60 per cent by weight, cost, or number of components?

Similarly, when you say that a dividend has increased by one per cent, do you mean that it has gone up by one, from five to six per cent, which is 20 per cent, or by 0.05, from 5.05 per cent?

R. N. P. Apsion.
17 Ganghill, Guildford, Surrey.

Tenants

From Mr Harvey R. Cole

Sir,—*As Miss North rightly* says (August 23) the sale of council houses to tenants is a huge and complicated subject. However, from careful study of several aspects of it over a number of years, I suggest that several fairly simple points are *now well established*.

1. The most detailed analytical investigation of the financial consequences for local authorities strongly suggests *that, in the longer run*, such sales worsen rather than improve the position.

2. Such studies were carried out before the recent series of very substantial imposed increases in council rents. As these have coincided with a fall in mortgage *interest rates*, we now have a situation in which rents often exceed mortgage payments. In addition, many local authorities now have a surplus on their housing account, after all outgoings and expenses, so that tenants are *in effect subsidising* the general body of ratepayers—not the other way about.

3. To the extent that councils are facing rent arrears (and the large increase recently appears to be mainly due to the extraordinary incompetence of central government's new scheme for administering hous*ing benefit*) a *policy of selling* off council houses would not do anything to improve the position. It must be the case that the bulk of arrears are being incurred by tenants who could not or would not secure finance to purchase their properties in any event.

4. There is a case for selling council houses. What I query is the wisdom of an approach which virtually ensures that the best property will be bought and the rest left as a drain on the ratepayer. Such an outcome is inevitable if houses are sold off at enormous discounts on their *market value*.

If Miss North believes that houses should, normally, be let at economic rents, why should they not be sold—perhaps with some exceptions — at market prices?

Harvey R. Cole.
9 Clifton Road, Winchester.

Robbed

From Mr D. Nicholson

Sir,—With reference to "Men and Matters" (August 11). The Association for the Rights of Britons Abroad may, with a modest alteration to their name, *make rather more impact in* their quest to secure voting rights for British residents temporarily residing abroad. If their name were changed to Rights of Britons Disenfranchised, they could claim—with total justification—to be ROBD.

D. Nicholson.
1, Fulton Grove, Darenham, Northwich, Cheshire

Link

From Mr Peter Gorb

Sir,—Both Sir John Mason, head of the Meteorological Office, and your writer of August 23 do not address themselves to the key point about *economic and weather forecasting*: the direct link between weather forecasting and business performance.

Surely Britain's historically unequal business *performance* is directly related to the unpredictability of its weather? On the analogy of the difficulty of selling ice cream to Eskimos, how much better we would manage our investment in manufactured stocks if we could more accurately predict cold spells for the sale of central heating and car batteries, or hot spells for the sale of *bikinis* and refrigerators.

If as I suspect, there are few manufacturing or services businesses which are not weather related, are we not, as concerned business men working *in an unpredictable climate*, investing in the wrong kind of forecasting?

I work sir, at the London Business School almost entirely *surrounded by one kind of fore*caster. Cowardice motivates me to write about their demise and replacement by weathermen from a place where post prandial discussion *has* always promoted ideas which arise from the cross fertilisation of disparate disciplines. Indeed my choice of words reminds me of a similar discussion on sex and the weather when Nancy Mitford first published "Love in a Cold Climate."

Peter Gorb.
Savile Club.
69, Brook Street, London W1

Defence

From Mr J. A. Stark

Sir,—*Outside of the U.S.* democracy is at its strongest in Europe and given that this is buttressed by the economic strength of the EEC, the question of defending that situation would seem not open to discussion. It is to be remembered *that the last Chancellor of West* Germany Helmut Schmidt was one of the joint leaders who saw the escalation of Soviet nuclear power in Eastern Europe as a major threat to democracy and requested the U.S for provision of Pershing and *Cruise missiles in Europe* as a means of countering the Soviet threat.

Given that the financial resources of a country reflect the economic strength of that country, then West Germany is the second largest bastion of capitalism. It is unlikely to be agreed that the combination of democracy with a sound economy has shown itself to be one of the better products of human endeavour to date.

In attempting to provide the continuity of these principles there would seem to be a serious lack of commitment to these ideals given recent publication of West Germany's spending on her own defence and also the willingness to participate in a manner which would further these aims

DEFENCE SPENDING as % of GNP

	1975	1982
U.S.A.	5.4	6.2
Britain	5.2	5.6
France	3.7	4.1
Germany	3.5	3.4

The figures speak for themselves and their negativity are rejected by a recent West Ger*man spokesman quote* "*that it* was unlikely that the West German population would be prepared to increase its spending on its own defence."

Having also read in the same article that West Germany's maritime defence forces aret all now being aimed at an Atlantic role rather than a North Sea/Baltic role where one imagines her defence interests should lie the whole scenario becomes *rather blurred especially* when one considers that Britain has the highest number of people unemployed combined with the fact that we remain the highest net contributor to the EEC Agricultural Policy. All of which suggests that if West Germany has funds available (your article August 19) it would be better spent on providing employment within the EEC rather than in Comecon countries, at least until the Salt talks have hopefully come to a positive conclusion to the benefit of all.

J. A. Stark.
12, Stowey Park, Yatton, Bristol.

Harbledown

From Lady Jane Bruce and others

Sir,—Harbledown is a quiet, unspoiled village little more than a hop's throw from Canterbury. I do not live there but I have dear friends who do. They are both painters and have worked at their art peacefully and in seclusion for some *years now*.

There seemed to be no reason why this peace — hard earned, mind you — should ever be disturbed. Now it seems, if the planners are to have their way, the villagers are to have thrust upon them a Japanese style (and this is Kent, not Kyoto!) plastic and cement Leisure Centre!

Who are they, these people that they can — gleefully, I suspect — despoil countryside adjacent to a conservation area of special environmental value? And, *as if that were not enough*, deface the skyline with plastic faced metal roofs of coloured aluminium?

This lovely village has been saved once by intelligent motorway planning. Is it now to be ravaged and left gasping from the suppurating wounds of raucous discos, 24-hour car *parks and late night* revellers?

I think Mammon can best be served where he is sought, and Harbledown doesn't want him or his followers, thanks very much!

Lady Jane Bruce.
Bill Owen.
Harry Lovelock.
9, Queen Close, Henley-on-Thames, Oxon.

Gold

From the Chairman of Shaw Cavendish

Sir,—As chairman of a gold bullion company it is expected that I should be sympathetic to Major Warren who is critical of Samuel Brittan and Nicholas Colchester for not mentioning "gold" when discussing "the world monetary system" (August 24).

The answer I am afraid is worse than he imagines. It is simply—their ain't enough gold *in the whole world to make any* significant relationship with paper currency. Unless one revalues gold from today's price of $423 an ounce to, say, $10,000 an ounce, or if it won't frighten the world's bankers, dare one say even $100,000 an ounce. *But this will not happen* so we must all face the fact that gold will never again be introduced into the world's monetary "growth" system. C'est la vie.

W. Shaw,
Cavendish House,
Eversley Park,
Chester.

Dominic Lawson, in Waterford, reports on the oil find in the Celtic Sea

Irish entrepreneurs are smiling

JIM FALCONER, publican, ships chandler and undertaker, waves his cigar in the general direction of the Celtic Sea and recalls the day when Gulf struck oil 20 miles off the coast of Waterford. "We all went on a binge for the first few days. I remember saying that we would have no more draught Guinness here, just draught brandy." A few hangovers later Waterford is gradually returning to its traditional peacefulness.

The same could be said of the Irish Stock Exchange, where shares in Irish oil exploration companies fell victim to a sustained bout of profit-taking before rallying later this week. Although the national mood seems to have switched from euphoria to uncertainty the facts of the oil find have not changed.

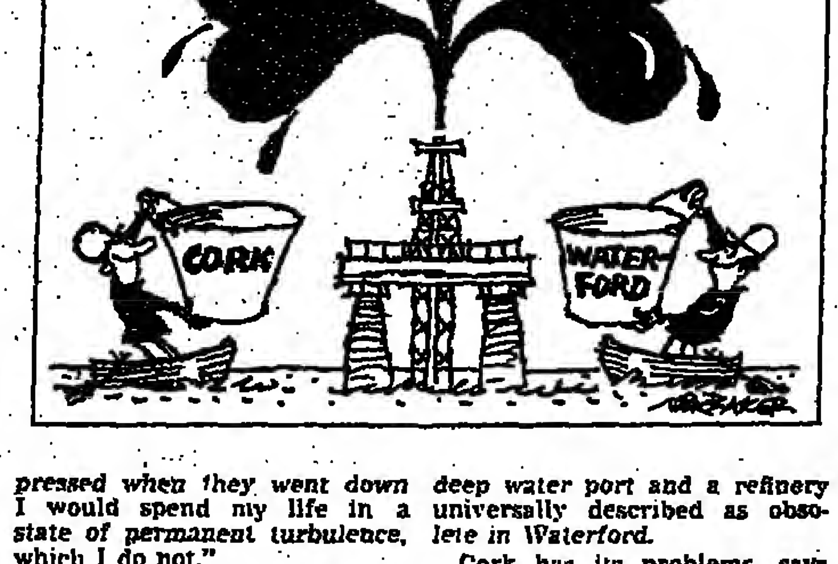
Block 49/9 in the Celtic Sea is one of six owned in equal proportions by Gulf Oil, Union Oil and the small Irish company, Atlantic Resources (incorporated 1981). In June, Gulf the operator, abandoned and plugged a well in the block. A concurrent rights issue by Atlantic flopped horribly with 90 per cent of the shares left with the underwriters.

Gulf prepared to move its rig to the Wexford area but the new spot was in the middle of a shipping lane. While waiting for written permission from the Department of Transport to move into the Wexford area, Gulf dropped a second well two miles from the first in 49/9. At the second attempt oil flowed to the extent of 6,467 barrels per day and self-appointed "experts" decided that the field held at least 100m barrels of recoverable oil—even though no official statement was forthcoming.

Remarkably well-informed rumours about the find hit the stock market and Atlantic's shares skyrocketed from 35p to 615p before falling. Yesterday they closed at 340p. Other Irish exploration shares were pulled up in Atlantic's slipstream. Eglington Oil and Gas became one of the speculators' favourites until an oil analyst revealed that its acreage is in Colombia.

Joe Burnell of leading Dublin brokers J and E Davey sits in the dealing room and recalls, "People were queueing up the stairs claiming to be clients. We were coming in at 8 in the morning and leaving around midnight. Weekends too." Even now the regimen is shirtsleeves and take-away sandwich lunches.

> 'This is Waterford oil. It's just down the road, how could it be anything else? You can call it Irish oil if you must, but sure it ain't Corkmen's oil.'



The Dublin stock exchange is opening at 9 o'clock, an hour earlier than hallowed tradition, solely to conduct business in the oil stocks. Above the chamber which has appropriately enough just been repainted in nationalist green, the tiny gallery is overflowing. Some of the onlookers are couples looking anxious. More than a few joint mortgages are riding on Atlantic, Aran and the other Irish oils.

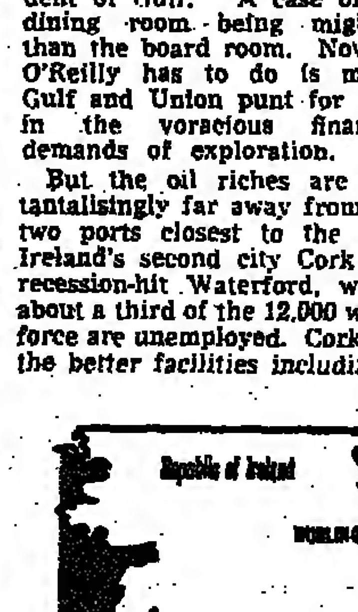
The unprecedented speculation forced Gulf under pressure from a concerned Irish Government to release results before drilling had been completed. Atlantic's managing director Dr. Don Sheridan, former chief geologist with Marathon, had been arguing for 20 years that the Celtic Sea is a natural oil province. But his delight at being vindicated is overshadowed by his distaste for the speculators and rumours about the find.

"I've never known such appalling leakage. You wonder where the Hell it's coming from. To the non-technical person it sounds like the God-given writ, but it is just share price manipulation."

Dr Sheridan sits back in his chair with the look of a man who has undergone trial by media. "I'm off to China on Monday and I'm not sorry to be leaving." Tony O'Reilly Atlantic's founder chairman, ex-British Lion rugby star and chief executive of Heinz's worldwide operations, is more phlegmatic. "If I felt elated when the shares went up and depressed when they went down I would spend my life in a state of permanent turbulence, which I do not."

While Sheridan is the geological innovator behind the discovery, O'Reilly is the entrepreneur behind tiny Atlantic's unlikely link up with Gulf and Union. He happens to be on the board of Mobil which would not join in the party in the Celtic Sea. But O'Reilly points out; "I am a next door neighbour in Pittsburg to the president of Gulf." A case of the dining room being mightier than the board room. Now all O'Reilly has to do is match Gulf and Union punt for punt in the voracious financial demands of exploration.

But the oil riches are still tantalisingly far away from the two ports closest to the find, Ireland's second city Cork and recession-hit Waterford, where about a third of the 12,000 workforce are unemployed. Cork has the better facilities including a deep water port and a refinery universally described as obsolete in Waterford.



Cork has its problems, says Eric Murrough, a Cork stockbroker. "There's been very little good news around before this. Only a fortnight ago Dunlop announced that it was closing its factory which employs 700. That's a terrible blow."

In the past a political battle between Cork and Waterford would have been a Cork walkover. Yet, as a leading Waterford business figure Bill Halley points out, "Waterford hadn't had ministerial representation since the 1930s but since the last election we have the Agriculture Minister, Austin Deasy, and Eddy Collins, Minister of State for Industry and Energy. At last we have someone at the table where the horse trading is done." Halley looks out of his window at an incongruous palm tree. The Gulf Stream as well as Gulf Oil passes by Waterford.

The Cork-Waterford rivalry is not just between the two business communities. On the strike-affected Waterford dockside a picket from the Marine Port and General Workers Union points a nicotine-stained finger. "This is Waterford oil. Hell it's just down the road, how could it be anything else. Well you can call it Irish oil if you must, but sure it ain't Corkmen's oil." The worker wrinkles his nose. Behind him stagger some of the 150,000 head of live cattle which each year are transported from Waterford to Libya and Iran there to have their throats cut in the manner laid down by dietary law.

It is a long way from the spotless office of Dr Sheridan. Tapping with his fingers on a geological wall map of the Celtic Sea he finds it impossible to contain his enthusiasm. "Listen, if these rock structures contain what I suspect then you can forget all this Waterford-Cork business. The effects are going to spin off all over Ireland." Sheridan is more than ever convinced that the structures in the Celtic Sea have the same rock sequences and geological mechanisms as those in the North Sea. But as to the benefits of his gift to the Irish nation he is unashamedly cynical. "The effects will be whatever the politicians want them to be."

The politician who counts at the moment is 36-year-old John Bruton, Minister for Industry and Energy. Leader of the House and Member of the Dail since the age of 22.

He gestures to an in-tray bearing more than a passing resemblance to the leaning tower of Pisa. "I've got enough real problems waiting to be solved without thinking about what may or may not happen in a few years' time. Gulf has not yet declared whether the field is commercial."

But what if the Irish really have found themselves a jolly green giant in the Celtic Sea? "There will be two evils to avoid. We must not spend the money on current expenditure and we must not simply lavish it on a few oil-related industries. We should use it to improve the country's infrastructure, on building schools rather than on teachers' pay." Bruton impatiently waves aside the Cork-Waterford debate. "This is precisely the kind of narrow regional argument that has so damaged Ireland over the years."

Back at Falconers Bar a poster proclaims in red capitals "Oil for Waterford. Unless we act now the Waterford oil find will be a Cork oil find." Jim Falconer has receptive audience. "Cork people are the Unionists of the South. Very industrious. Fair juice to them say I. But we'll have our share of the action here or Collins and Deasy will be finished in Waterford. This place will be a goldmine."

On the other side of block 49/9 in Cork, Tony O'Reilly is taking no chances. "Cork and Waterford will have to split the value added. I'd be in peril of my life if I said any different."

Kiss-me-quick hats and deep-pile carpets

By Lisa Wood

TEMPERATURES were sizzling in the 70s in Torquay last week, but the ice cream salesmen were not playing jingles on the esplanade.

Itinerant ice cream vans have been banned by the council because the declining number of visitors to the resort meant there were no longer enough customers to go round—and the rate-paying ice-cream parlours on the front were grumbling.

For despite predictions from the English Tourist Board that the hot summer might have given Britain its best tourist season for years, the seaside industry is still having to fight hard for its living.

Business is better than last year, but there is still a long way to go before confidence is restored in a £1bn industry which peaked in 1973.

Last year, the number of Britons holidaying in the UK fell from 36.5m to 32.5m as a result of fears of unemployment and high domestic prices compared to the cost of foreign tours. Many seaside resorts have seen a 25 per cent decline in their visitors over the past five years.

Seaside resorts have suffered both from greater competition from abroad, and from an increasing range of imaginatively marketed attractions at home. Not only has there been a remarkable burgeoning in butterfly farms and folk museums, but many inland towns have started to lavish attention on their Roman and Georgian buildings while seaside cities allow their piers, parks and promenades to decline and decay with neglect.

Bath, York and Chester might not, 20 years ago, have been seen as rivals to the seaside. Today they certainly are, and have often been vastly more successful in attracting high spending clientele—particularly foreign visitors.

But not all of Britain's seaside resorts are in decline. Many have attempted to spread their season, and to encourage freer-spending visitors, with increased attention to the conference trade—Bournemouth, Blackpool, Brighton and Eastbourne are prime examples. The rewards are considerable, though it is the larger hotels which tend to benefit, and the 20-30 bedroomed properties which are left out in the off-season cold.

Blackpool's tower

Blackpool, Britain's biggest and brashest resort, believes visitors will be 15-20 per cent up on volume on 1982, even though numbers are still not expected to reach peak 1976 levels.

What all the resorts are commenting on is the changed habits of those seeking sun, sand and fun.

The days of the family going to the traditional resort for two to three weeks and being contented with the pier and amusement arcades are disappearing.

Instead, the resorts are seeing growing numbers of people wanting short holidays of from one to three nights, growing use of self-catering, greater demand for more sophisticated leisure and entertainment facilities, and shorter booking periods with more "on the doorbell" trade.

Blackpool, with some 200,000 beds, was quick to notice the trends when the M6 motorway opened it up to 25m people within a two hour drive. Hoteliers and guest house owners started to offer mid-week and weekend breaks as an alternative to their more conventional seven or 14 day packages; building contractors Laing, in co-operation with the local council, developed a £10m shopping centre; the Metropole Hotels Group opened a £6m hotel.

The result—kiss me [quick] hats combined with the [deep] pile carpets which replace[d] old spit and sawdust bars—[may] not be to everybody's tas[te].

But the town knew its m[arket] and, with a new sophistic[ation] went for its money.

Spending this year [is ex]pected to go up by 10 per [cent]. Last year tourism earned [Black]pool £230m. "Growth," [says the] director designate of the [Black]pool tourism office. Mr [...] Morris "has come from [day] trippers and those wantin[g to] stop two or three nights."

This kind of growth ha[s its] casualties, and it is exp[ected] that the total bed stock [will] have to decline over the [next] decade. But what may be [good] for the hotelier is good [...] for the hot dog salesman.

More genteel resorts suc[h as] Torquay in the south-west, [with] no large urban hinterland[, have] an outdoor image, and w[hich] have invested much less in [pro]viding indoor facilities, [are] having problems.

Torquay still continue[s to] cater mainly for the lo[nger] staying visitor — not only [be]cause of tradition but bec[ause] it is a hard day's drive from [the] major conurbations.

This year the volume of [visi]tors is only expected to inc[rease] by between 2 and 4 per [cent]. The smaller family hotels, [offer]ing 20-30 beds, complain [they] are worst hit. The larger h[otels] have responded to the dem[and] for shorter holidays, and [they] also offer swimming p[ools,] saunas, and jacuzzis.

Some hard-pressed Tor[quay] hoteliers have converted [their] premises into self catering [units] — but many others have sold [out] and more than 40 hotels [have] been converted into eld[erly] persons' homes.

The evidence is that t[he] seaside resorts which are [invest]ing in the leisure centres [and] providing more modern fa[cili]ties are the ones that are ma[king] money—and the ones that s[it] on their grandeur are suffer[ing].

As Mrs Lynee Hooki[...] vice chairman of the Tor[quay] Hoteliers Association said: "[We] don't yet know how to stri[ke a] happy medium between c[om]mercialism and retaining [the] dignity of the area."

Weekend Brief

'West Endy, East Windy', comes to life

THE festival does amazing things for Edinburgh. For a start the average age of the city seems to fall by about half to 25 as a massive dose of culture surges through the grey stone veins of this most elegant place. It bubbles as possibly 1m tickets will be sold for the central international festival (165 separate events), the sprawling fringe (maybe 900 shows) and simultaneous film and jazz festivals.

Over four weeks something estimated between £20m and £30m goes into the hands of hotel, bed and breakfast, restaurant and bar owners—a sore point with Mr John Drummond, the outgoing festival director who has made no secret of his feeling that the city does not appreciate the value of this annual one-stop shopping for the world's performing arts. Edinburgh District provides an insufficient subsidy of around £500,000, has increased rents on city owned theatres and has not maintained them to professional standards, Mr Drummond says.

There was a heart-stopping 20 seconds on Wednesday night when actor Nigel Stock as Sherlock Holmes' Dr Watson drew back a curtain in the production of "221B" before a lighting man out of sight and earshot got a bulb to go on.

Mr Frank Dunlop, Mr Drummond's successor, says the festival should be seen as a national asset and he is likely to turn to the Arts Council and central government for more assistance.

A computer brought in to speed up ticket purchases at the main festival has reduced queues to a one-hour wait from and hour and a half. But queues are sometimes the best places to plug into the vital bush telegraph of what should and should not be missed. If the right tips cannot be heard there the press reviewers, including human waves of reporters sent out by The Scotsman, cover nearly everything.

Public relations run rampant. Giants on stilts in George Street accost passers beneath urging them to view his company's show, and shopping bags are amply stuffed with flyleafs.

Two miles at a small city of tents set up in the hole in the [...] of Scottish opera (it set up in Glasgow instead) and the numerous halls of the Assembly Rooms on George Street, each with a thriving bar, fertilise much of their own local business. But often only promises of performances on new frontiers of outrage will get the audiences into more outlying church and school halls.

The pressure on journalists can be intense. A second press release from a group called "positively the final European tour" went: "Do you have to hand the first press release we sent you in June? No? I suppose you have mislaid it temporarily, have you? Secretary used it as a tissue? Scribbled a shopping list on the back of it? Well go and find it."

Next year bumber stickers might be a good idea to pull them in for events on the more fringy parts of the fringe. How about: "We have been to see the new English school of Kuwait at St Georges Church."

Princes St Gardens, Edinburgh, in the festival

In defence of Geoffrey Boycott

"DON'T WORRY," the psychiatrist said to his patient, "you're not paranoic—it's just that everybody is trying to get you." It is difficult, at the moment, not to apply this story to Geoffrey Boycott.

Here Geoffrey is 42, over the [...] hitting centuries as if there is no settling day and still wondering if some of the fools who run Yorkshire cricket will renew his contract next season.

I note that former England captain Ted Dexter in his enjoyable book, The Master Batsmen, puts Boycott in a chapter headed "The Mechanics." Would I could have had such a mechanic for our fading Ford Cortina? But then Ted includes Sir Leonard Hutton in the same category.

I was born in Yorkshire, grew up watching the twilight of Sutcliffe and Holmes, and the sunrise of Sir Leonard, and am frankly biased. I still spend a fair amount of time on the sacred turf (Headingley, not Lord's) and most cricket afficionadoes up there, apart from a few dolts in the establishment that think Geoffrey is all right.

The trouble is that things have changed since those palmy days when we ruled the cricket roost. As Yorkshire do not look like winnig anything much this year except the John Player League and even finishing bottom in the three-day championship, there is a search for a scapegoat. Boycott provides a good one because he happens to be a "difficult" character—this is my choice from about 14 other euphemisms.

But then, we who love Yorkshire cricket have seen the club unload Johnny Wardle, Brian Close, even Ray Illingworth (now team manager and locked in combat with Boycott) and making life difficult for Freddie [...]

But back to Geoffrey. A slow scorer? Well, the century that got him a rocket from Ray was scored at a slightly slower rate than Sir Leonard's pre-war record-breaking Test trouble century. A few weeks ago Boycott hit a fighting 75 ending with a six over long-on and in this week's game with Notts, two centuries, one before lunch.

But, of course, they say, he's a selfish player. Ted Dexter tells a story about how he befriended Boycott, unhappy on the 1964-5 South Africa tour, and was rewarded by being run out by him at a vital stage of the game.

But Dexter adds: "It must also be recorded that on many occasions England would have been in a sorry plight without him."

I am sorry about the row and even more sorry that the world's greatest batsman is prevented in his Indian summer from playing for England, because of his foolish visit to South Africa.

But I wish Yorkshire would get off his back. After all, who else have we got?

F.T. man joins Mt. Fuji scramble

Question: It is four o'clock in the morning, barely above freezing, 11,000 feet above sea level, and you are standing in a queue, a great big long one. Where are you?

Answer: Just below the summit of Mt Fuji, any day in August.

For the Japanese, climbing Fuji-san, the country's highest mountain and most indelible national monument, comes close to being a national avocation. In the brief six-week peak summer season, when its picture-postcard upper slopes are bare of snow, well over 1m people will set foot on it and perhaps one in five will make it to the top, 3,776 metres up, most of them to catch the ultimate piece de resistance, watching the sun rise in the east.

The amateur mountaineers come in all shapes, sizes and ages. A 97year-old man has already made it this year and so have several octogenarians and sub-teenagers. Presumably all are motivated by the Japanese adage that a wise man must climb Fuji-san once (it goes on to say that only a fool does it twice, but that is another story).

The intrepid Financial Times team approached the daunting north face of the mountain with some qualms. Although its combined age was less than 97, it was not fit: I was desperately short of the standard summer tennis court training, while my wife's and 12-year-old daughter's limited to the innumerable stairs in the Tokyo underground system. But we had as our guide the indomitable Hideo Kamiyama, who climbs mountains for fun when not importing valves from Texas.

We dined on sushi (raw fish), cheese sandwiches, beer and Pocari Sweat, one of Japan's more bizzarrely named soft drinks, in the parking lot of the Fifth Station, 2,400 metres up, before beginning our assault at 9.30 in the evening.

It makes sense to do it at night—and not merely to reach the summit by dawn; it is also cooler and the enveloping darkness, broken only by the endless snake-line of hand-held torches, obscures the tedious and barren scenery of the mountain and the discouraging steep slopes above.

It is not, we found, an easy evening stroll to the top. There are long stretches of steep zig-zagging uphill trudging over loose volcanic ash and ankle-twisting chunks of larva, interspersed with passages of rock scrambling above the 7th and 9th stations, where hands and feet come into play; the thin air affects some people. The name of the game is to climb steadily and rest often; there are several huts en route offering snacks and drinks and, for the really weary, futons (mattresses).

It took us nearly seven hours and a few extra layers of clothing in the middle of the night to make it to the top. This is, according to a sign at the bottom, a bit longer than average, but we were not racing against the clock and the fairly constant queues on the upper slopes perhaps slowed us down a little.

The only dimly unpleasant factor to report is that Fuji-san's primitive loos reek to high heaven and that it is difficult to nip behind a nearby rock without a large audience.

But the crowd does make for a lot of fun and camaraderie. The Japanese, typically, climb in groups (of boy scouts, housewives, digital clock repairers, whatever), walking, resting, smoking and drinking together and urging everyone "gambarre" (do your best). One paunchy middle aged gentleman, picking out the FT-shirt in his torchlight, proudly announced, without solicitation, that Prime Minister Nakasone came from his home prefecture.

Getting to the top is worth it. The summit area itself, a huge volcanic crater, frankly resembles an abandoned open cast mine, but nothing, nothing that I have ever set eyes on compares with the staggering beauty of the "asahi," the rising of the sun.

Going down was sheer bloody murder.

Contributors:
Mark Meredith
Alan Forrest

BUILDING SOCIETY RATES

	Deposit rate %	Share accounts %	Sub'pn shares %	%	Others
Abbey National	7.00	7.25	8.25	8.25	High Option, 3 mth. not. no pen.
				8.25	60 Plus, 6 y., on dem. (int. pen.)
				7.75	7 days' notice, no int. pen.
Aid to Thrift	7.90	8.50	—	—	
Alliance	7.00	7.25	8.25	8.50	2-month notice shares
Anglia	7.00	7.25	8.25	8.25	3 yrs., 2 mths.' notice/penalty
				8.25	Capital Sh., 1 mth.'s notice/pen.
Birmingham and Bridgwater	7.00	7.25	8.75	8.25	Extra Interest Shares
Bradford and Bingley	6.75	7.25	8.25	8.25	1 m. not. or on dem. (int. pen.)
Britannia	7.00	7.25	8.25	8.50	Option Bond, 8.25 2 mths.' not.
Cardiff	6.75	8.00	8.75	—	
	—	*8.50	—	—	* Share a/c bal. £10,000 & over
Catholic	7.00	7.50	8.50	8.25-8.50	Monthly Income Accounts
Century (Edinburgh)	7.25	7.75	—	8.75-9.50	Fixed terms 2/3 years
Chelsea	7.00	7.25	8.25	8.50	im. wdl. (int. pen.) or 1 m. not.
Cheltenham and Gloucester	7.00	7.25	8.25	8.25	Gold account £1,000+ no notice no penalties. Monthly interest £5,000 min. 8.57 if compounded
Citizens Regency	7.00	7.50	9.00	8.40	plus a/c £2,000+, no not./pen.
City of London (The)	7.25	7.50	8.25	8.25	4 mths.' notice—no penalty
Coventry	7.00	7.25	8.50	8.75	4 yrs., 8.50 3 yrs., 8.25 3 mths.
				8.00-8.75	28 days' notice/penalty
Derbyshire	7.00	7.25	8.50	8.25	
Greenwich	6.50	7.25	8.50	8.25-8.50	subject to notice/bal.
Guardian	7.00	7.50	—	8.75	3 months, £1,000 minimum
Halifax	7.00	7.25	8.25	8.25	Xtra Interest Plus, 3 months' wdl. notice or loss of interest
Heart of England	7.00	7.25	8.50	8.00	1 mth. not., 8.25 Flexi-Term
Hemel Hempstead	7.00	7.25	8.50	8.75	3 yrs., 8.50 3 months
Hendon	7.50	8.25	—	9.25	6 months, 8.75 3 months
Lambeth	7.00	7.50	8.75	9.25	6 mths., 9.10 28 days, 8.25 3 m.
Leamington Spa	7.10	7.35	—	8.50	Top Ten. 8.75 Lion Share
Leeds and Holbeck	7.00	7.25	9.00	8.75	5 yrs., 8.25 1 mth. interest pen.
Leeds Permanent	7.00	7.25	8.25	8.25	3 yrs., E.I. a/c £500 min. 8.00
Leicester	7.00	7.25	8.25	8.25	3 yrs., 8.25 3 months
London and Grosvenor	7.00	7.75	9.50	8.25	High Yield (1 month)
London Permanent	7.00	7.75	—	9.00	6 mth. not. or 2 m. not. + pen.
Midshires	7.00	7.25	8.25	8.25	Ever Ready—Easy access
Mornington	7.80	8.50	—	—	
National Counties	7.25	7.55	8.55	9.10	28 days' notice £500 min.
National and Provincial	7.00	7.25	8.25	8.25	1 mth. not. also mthly. income
Nationwide	7.00	7.25	8.25	8.25	3 yrs., £500 min. imm. wdl. with penalty. Bonus a/c 8.25 £500 min. imm. wdl. with penalty
Newcastle	7.00	7.25	8.50	8.75	4 yrs., 8.25 28 days' notice, or on demand 28 day's int. penalty
New Cross	8.00	8.25	—	8.25-9.25	on share accs., depending on min. balance over 6 months
Northern Rock	7.00	7.25	8.50	8.00	High Int. Sh. 8.25 Prem. share
Norwich	7.00	7.25	8.50	8.50	City a/c imm. wdl. no penalty
Paddington	6.75	7.75	9.25	8.75	Loss 1 mth. int. on sums wdn.
Peckham	7.75	8.00	—	8.50	2 y., 9.00 3 y., 9.50 4 y., 8.25 Bns.
Portman	7.00	7.25	8.75	8.75	2 mths., 8.25 Flexi-Plus
Portsmouth	7.35	7.55	9.05	9.40	5 yrs., 9.00 6 mths., 8.50 1 mth.
Property Owners	7.25	7.75	9.00	8.75	28 days
Scarborough	7.00	7.25	8.50	8.25	Money Care + Free life insce.
Skipton	7.00	7.25	8.50	8.25	1 month's notice, 8.60 3 years
Stroud	6.75	7.25	8.50	8.85	3 months, 8.25 1 month
Sussex County	7.00	7.25	9.00	8.00	7-day County share account
Sussex Mutual	7.25	7.50	9.00	7.75-9.00	
Thrift	7.15	8.15	—	10.15	5 yrs. term. Other accnts. avail.
Town and Country	7.00	7.25	8.25	8.50	3 yrs., 60 days' wdl. notice
				8.50	imm. wdl. 28 days' interest loss
Wessex	7.25	8.30	—	—	
Woolwich	7.00	7.25	8.25	8.25	90 days (interest loss)
				8.25	Special Interest Shares, 90 days' not. or imm. wdl. with 90 days' interest loss (minimum £500)
				8.00	imm. wdl. 28 days' interest loss
Yorkshire	7.00	7.25	8.25	8.50	Diamond Key, 60 days' penalty or 2 months' notice without penalty

All these rates are after basic rate tax liability has been settled on behalf of the investor.

Ropner slumps to £1.4m but expects better second half

AS A result of lower returns from all divisions, coupled with a much higher interest charge, first half taxable profits of Ropner slumped to £1.42m against £3.84m.

Turnover for the six months to the end of June 1983 climbed from £12.79m to £19.57m but operating costs rose by £7.1m to £17.6m, and interest payable more than doubled to £1.09m against £475,000. Investment income totalled £529,000 (£730,000).

During the period no properties were completed and sold, but the directors say that several developments are in progress, and sales are expected in the second half. They add that group profit in the latter half of the year is expected to be substantially better than that achieved in the first.

The interim dividend is maintained at 1.75p per 25p share and earnings per share are given as 2.1p against 7.5p for the comparable period.

A divisional breakdown of pre-tax profits shows (in £000): Shipping £446 (£727); engineering £1,800 (£2,281); insurance broking £167 (£172); property development £83 loss (£323 profit); investment income not directly related to trading activities £374 (£518). The comparable figures only include three months of parent and nine months of shipping companies. Depreciation was up from £891,000 to £2.12 and last time there was a £475,000 credit for provision for ship surveys and deferred repairs no longer required.

The rise in interest payable arose from a full six months' charge relating to the loans on the ships Iron Kirby, Iron Kestrel and Salmonpool acquired in 1982. Until April Salmonpool was laid up, but has since then operated on a time charter for 12 months which reduces the loss compared with the lay-up and there is a charter's option to extend for a further six months at an increased rate. All other ships are on long-term charters.

The company's engineering subsidiary, Airtech, suffered a setback in profits as a result of delays in long-term contracts which had the effect of deferring profit until later in the year and beyond.

Elsewhere, Hozelock and Airvert continued with the good results achieved in 1982 and, say the directors, Greenwood managed to increase profits and reports that the order position is better than it has been for some time.

Associated Sprayers, acquired in March this year, has made a satisfactory contribution, they add.

Tax for the period took £695,000 (£1.64m), minorities were lower at £49,000 (£93,000) and last time there was an extraordinary credit of £519,000 arising from the sale of a ship.

● comment

A substantial chunk of Ropner's earnings comes from engineering and property development, *where profits have tended to be* lumpy due to the size and timing of the projects involved. It is unfortunate for both divisions to hit a trough simultaneously, especially when the rest of the group is reeling from the effects of a poorly timed $20m ship purchase. The result is a more than halving of pre-tax profits. The bulk carrier Salmonpool has been launched onto the spot market at a time when rates are derisory. The borrowings, operating losses and increased depreciation charges attached to it are responsible for most of the damage to group profits. Luckily the rest of the fleet is on long term charter where rates are more dependable and dollar earnings have produced currency gains. Property should be well in the black by the year end as three sales come through in the current half. The same cannot be said for the engineering division, which includes Hozelok, although the hot weather has been a boon to gardening sales. On that basis, it looks as if Ropner is unlikely *to exceed last year's £5.2m* taxable profit. The A shares slipped 7p to 91p after the announcement, but climbed back to end at 96p.

Mr Eric Morley (left), executive chairman of Miss World, and Mr Michael Ashcroft, of the Hawley Group, who is joining the board.

Miss World on target to achieve forecast

IN RESPECT of the year 1983 the Miss World Group is on target to achieve the minimum £300,000 profit forecast in April when it was launched on the USM.

First half results are ahead of budget with turnover of £355,000 producing a pre-tax profit of £93,200. With the Miss United Kingdom and Miss World contests occurring in the second half, that period is now the more profitable. This means that comparison with the previous year is not possible as the year end was changed from March 31 to December 31.

After tax £37,400 the earnings are shown at 2.86p per share. The interim dividend is the promised 1p—a total of 3p has been forecast.

A contract has been agreed with a UK company for the marketing of a Miss UK doll and accessories, bearing a likeness to the newly-elected winner, and will be in the shops by Christmas. *If this contract is successful the marketing of a Miss World doll will follow and other merchandising contracts* are being discussed.

Mr Eric Morley founded the Miss UK, Miss World, and other beauty contests, and is the executive chairman of the group. The Hawley Group has a 22 per cent stake and its chairman, Mr Michael Ashcroft, is joining the board of Miss World Group.

● comment

These are the first figures from Miss World since it went public in April. Most of the company's revenue comes from sponsorship deals and the sale of television rights for the five beauty contests. These contracts are of three years duration and are signed at the beginning of the year so the company's forecast of £300,000 pre-tax profit for the full year should certainly be realised. Along its present lines, *however, the company's prospects* must be limited by its dependence on its one very marketable commodity — pretty women. But in the longer term the addition of Mr Michael Ashcroft, Chairman of Hawley's, to the board of the group could be significant. In tandem with the enterprising Morley's this move could see the group expand into other leisure activities. The shares were up 5p to *170p which could well reflect* some "novelty value" at that level that gives a prospective p/e ratio of 22.9 on a full tax charge.

Scotcros hit by French troubles

BY RAY MAUGHAN

Scotcros, the Glasgow-based conglomerate, has been forced, by what it calls a concentrated series of political strikes, to close its Bouchage Moderne wine bottle closures plant at Argenton-sur-Creuse, some 300 kilometres south of Paris.

The knock-on effects of this liquidation include a proposal to lift the group's borrowing limits because the rust deed has been breached, an auditors qualification of the accounts for the year to March 31 and a hearing before a French industrial tribunal in respect of the compensation payable to the director in charge of Bouchage Moderne.

Recognising that James Finlay, the international trading group which is also based in Glasgow, has raised its holding in Scotcros from 12.06 per cent to 25.28 per cent over the past year, the group has invited a Finlay representative to join the board. Mr W. Lamond was accordingly appointed with effect from August 1.

The existing borrowing limit under the terms of the deed of declaration is £6.79m but, after providing for the liquidation, debt had risen to £8.6m by the balance sheet date and, for seasonal reasons, has since climbed to £9.7m. By lifting the limit from one and a half times net worth to two and a half times, which will be put to holders of the 6 per cent unsecured loan stock 1986-88 at a meeting on September 19, the debt ceiling will be increased to £12.92m.

The coupon o the stock is to be raised from 6 per cent to 9 per cent and redemption, in full at par, will take place on June 30 next year.

Bouchage Moderne, which was acquired for the equivalent of £150,000 in October, 1978 but as a result of what the group describes as niggling industrial disputes culminating in the concerted political strikes in the spring, the subsidiary has lost some £500,000 in the past 3½ years and £100,000 in the year to March 1983. Subsequent losses, before Scotcros was forced to "close the door" on 138 employees, have been about £50,000.

The French statutory auditors have asked the company to provide £537,000 against the closure, which assumes that the plant has a sales value of £476,000. The UK auditors, Deloitte Haskins and Sells, note that "other group companies in France may have in aggregate to provide against possible losses" of the equivalent of £1.01m, which assumes that the plant has no residual value.

The group is also asking shareholders to approve at the annual meeting on September 19 the removal from the board of Mr R. A. Civrays. Having joined the board in 1977, Mr Civrays has been responsible for Bouchage Moderne but resigned from all executive duties for health reasons in September last year and has played no part in the management of either the French companies or the group since then. He has not, however, resigned from the main board and his colleagues are now calling for his removal.

BIDS AND DEALS

More Waddington holders reject BPCC

BY DAVID DODWELL

John Waddington claimed yesterday that shareholders accounting for a further 1.3 per cent of the company's shares had changed their minds about supporting the £17m bid approach from Mr Robert Maxwell's British Printing and Communications Corporation.

This is a fresh blow to Mr Maxwell, who on Wednesday claimed he was "within a whisker" of taking control of Waddington, the Leeds-based games and packaging group. At that stage, he announced that he had won acceptances for his share and cash offer amounting to 47.3 per cent.

If yesterday's withdrawals are added to withdrawals amounting to 5.5 per cent on Thursday, then Mr Maxwell can now only claim acceptances amounting to 40.5 per cent.

BPCC yesterday conceded that acceptances had slipped back to a total of 43.75 per cent. At the same time, the company confirmed that it would extend the offer, which was due to close yesterday afternoon, until the afternoon of Wednesday September 7.

Kleinwort Benson, financial advisers to Waddington during the bid, conceded yesterday that it had been unusual to resort to last minute persuasion to change shareholders' minds over the BPCC offer.

"It was late, and it was unusual —but when you are fighting a battle as fierce as this, you have to play every legitimate card in the pack," said Mr John McArthur, a director at Kleinwort.

The extent of Waddington's last minute measures came to light yesterday when it was learned that chairman Mr Victor Watson had telephoned the Norwich Union—which over the weekend had agreed to sell its 4.4 per cent Waddington stake to BPCC—on Wednesday evening, offering to drive down from Leeds to Norwich overnight to explain why he ought to change his mind.

Mr Gavin Mills, investment manager at Norwich Union, said yesterday that he had emphasised that he had no interest in being compromised by being offered "insider" knowledge, but with that proviso, was willing to see Mr Watson.

Mr Watson was on Norwich Union's doorstep at nine in the morning on Thursday, with Mr David Perry, the company's recently arrived managing director. When they emerged an hour later, Mr Mills had changed his mind.

"What changed our minds was the impression that I got of the changes that had taken place over the past two years," Mr Mills said.

Waddington's shares strengthened still further yesterday, closing 9p up at 270p. BPCC shares ended the day 2p stronger at 109p.

Trident TV sells U.S. loss-maker

Trident Television, the casinos and leisure group, has sold its loss making U.S. subsidiary Trident Television Associates, to Richard Price Telivision Associates (RPTA) for a nominal £1.

RPTA, based in Madison Avenue, distributes television programmes worldwide. In buying the Trident subsidiary, it will be assuming commitments to repay intercompany loans amounting to £3.3m within three years.

Mr Ward Thomas, Trident's chief executive, said yesterday that the U.S. subsidiary had been sold both because it was losing money, and because it was now involved in business unconnected with Trident's main business.

In the past two years, Trident has shifted from production in the television and film industry, and derives most of its earnings from casinos.

By September 1982 the U.S. subsidiary had accumulated losses of about £940,000, Mr Thomas said. These poor figures played a part in giving Trident its worst year in the recent past. With turnover down from £108m to £90m in the year to September 30 1982 pre-tax profits slumped from almost £9m to a bare £4.3m. After tax and almost £1.5m in extraordinary items, the company reported a profit of just £457,000.

At the halfway stage this year, Trident was already showing signs of strong recovery from this nadir. Pre-tax profits had risen to £3.7m, and market analysts are looking for an annual figure in the region of £8m to £9m.

ILLINGWORTH MORRIS/ABELE

The offer document for Illingworth, Morris, the largest woollen textile concern in Europe, is not now expected to be sent out until Tuesday or Wednesday of next week.

Mr Alan Lewis, chairman of Abele, who was given authority by the Monopolies Commission on August 10, to go ahead with his bid, said yesterday "The document is at the printer but has been held up by the bank-holiday weekend."

At the time of the Monopolies Commission report Mr Lewis said that the terms of the offer would not differ from the original document posted last November. Mr Lewis then offered 14.75p for the ordinary shares and 10.25p for the "A" ordinary.

Since then the price of the ordinary shares has been as high as 23p and even yesterday they were 18p. The "A"s closed at 11p.

When the Government referred the bid to the Commission, Mr Lewis controlled 48.24 per cent of the ordinary shares and 47.55 per cent of the "A" shares, which are non-voting.

LINDSAY BAINES

Gresham Trust has helped Lindsay Baines to finance the acquisition of Highbury Corner Motor Company.

Lindsay Baines is a new company, specifically formed for the acquisition, which is controlled by Lindsay Baines, who prior to the acquisition was managing director of similar businesses to Highbury Corner Motors operating in the North London and Home County areas.

The financial package involved total funds in excess of £1.7m which were provided by a number of institutions, including Gresham Trust and ICFC. Highbury Corner Motors has recently been loss making, but Mr Baines is confident that the Company will return to profits.

Highbury Corner Motors, which will be changing its name to Lindsay Baines (London), operates the Ford main dealership for central and north London.

SHARE STAKES

William Whittingham—The Comben Group has purchased a total of 157,500 ordinary shares.

Parkdale Holdings—Mr N. A. McMahon Turner, a director, has bought 50,000 ordinary shares.

Brown Shipley Holdings—Duncan Lawrie Investments has acquired 85,000 ordinary and now holds 1.205m ordinary (10.15 per cent).

Rexmore—The directors pension scheme has purchased 40,000 ordinary shares, and an investment company controlled by certain directors has purchased 40,000 ordinary shares.

Turks gain control of Harold Ingram

Wasskon Establishment, the Liechtenstein company controlled by Turkish businessmen Mr Mehmet Tecimer and Mr Yalcin Akcay, yesterday confirmed that it had acquired 1.69m shares of Harold Ingram, the manufacturers of knitted garments under a deal announced earlier this month from Ingram's chairman and his wife. The shares, disposed of by Mr and Mrs Ingram for 65p each, give Wasskon a 52.26 per cent controlling interest.

The company said that it will be making a cash offer of 65p per share for the rest of the shares which it does not already own. The offer will be an unconditional bid.

The 65p cash offer values Ingram at £2.15m. Shares in Ingram were suspended on August 15 after a hectic price rise following the announcement that the controlling stake was to be sold. The suspension price of the shares is 300p valuing the company at £9.9m.

Wasskon's advisers have confirmed that sufficient resources are available to make the bid.

NO PROBE

The merger between Schering AG and FBS Holdings will not be referred to the Monopolies and Mergers Commission.

Raybeck £1.4m loss—payout cut

LOSSES HAVE continued at Raybeck, the clothing manufacturer and retailer, and the for the 53 weeks ended April 30 1983, have accumulated to £1.43m, compared with a profit of £215,000 in the previous year. After the omission of the interi m.the final dividend is cut to 0.25p to compare with a total of 2.262p in 1981-82.

Mr Ben Raven, chairman, says in recent years the company has experienced persistently adverse trading conditions in all areas of the business, and in addition it has proved impossible to eliminate trading losses at Bournes. But now the Bourns interest is being disposed of "it is the board's view that Raybeck's prospects are fundamentally improved."

Taking in a £973,000 (£292,000) profit from the disposal of surplus properties cuts the year's loss to £457,000, against a profit of £507,000. There is a tax credit £639,000 (£101,000) making available £182,000 (£608,000), out of which the preference dividend absorbs £372,000 and the ordinary £92,000 (£830,000).

Surrender of the Bournes' interest will bring in £400,000, to be received on September 29. *There is an extraordinary charge* of £1.74m which largely represents the estimated costs of closure of Bournes to the extent not previously provided, and provision for trading losses expected to be incurred from April 30 to the date of closure, after taking account of the £400,000.

Mr Raven tells shareholders that there are signs of improvement in trading conditions, *particularly in the retail sector.* If this continues "there is every reason" to expect better results in future, and this will enable the company to resume dividend payments in keeping with those paid in the past.

The balance sheet remains strong and, despite an increase in borrowing, is relatively lightly geared. It excludes any excess over net book value in *respect of properties.*

● comment

With the albatross of Bournes, the Oxford Street department store, finally taken from around Raybeck's neck it can take a desperate gulp of fresh cash and *return to profitability. Some had* hoped it might have broken even at the year end but instead it reported losses of £457,000 to April 30. The figure would have been almost £1m worse without the benefit of the sale of 12 of their largest Best Sellers stores to Harris Queensway. With some £2m trading losses from Bournes finally out of the picture, Raybeck should make £1.75m this year, so long as the pick up in *demand seen in the first few* months continues through the winter. Deputy chairman Alfred Simons talks of "controlled expansion" of Raybecks retail chains, Lord John and Lady at Lord John and Best Sellers. A couple of new Lord John branches have been converted into Detroit Clothing stores, containing youn. trendy clothing with cars and petrol pumps as the theme. The share price *closed up 2p at 35p against* reported net assets per share of around 44p and stands on a challenging rating of nearly 15 times prospective earnings, fully taxed.

Highgate & Job reduces full year loss

Full-year taxable losses of the Highgate & Job Group have been cut back from £261,227 to £165,516, largely due to a £144,503 reduction in the oil division loss to £164,997.

Most of the trading loss and extraordinary costs were incurred at Liverpool, and this clouded improved results achieved at Paisley, say the directors. They add that Liverpool *has now closed and sale of the* site should be completed shortly.

However, they say, this year's results should show much improvement over those of the last few years, and barring any fundamental changes the group should show a small profit for the current year.

During the year to the end of March 1983, turnover fell to £5.91m against £7.16m, and a lower profit of £38,499 (£43,122) *was made in the protein division,* while the holding company fell £39,098 into the red, compared with a £5,151 profit last time.

The loss per 50p share emerged at 17.7p (28.3p) after a tax credit of £2,634 (£1,300). There was an extraordinary debit this time of £22,707, against a £17,616 credit.

Martin-Black midway loss cut to £25,000

Although operating in difficult conditions, particularly in export and offshore markets, Martin-Black has managed to make a further cut in its loss from £131,000 to £25,000 for the first half of 1983.

This reflects on-going efforts to improve efficiency and reduce costs, together with a drop in interest charges from £110,000 to £12,000. In order to facilitate further administrative efficiencies the year end is being changed from December 31 to March 31.

In the half year turnover of this maker of wire ropes fell from £5.3m to £4m and the group ran into a trading loss of £18,000 (profit £9,000), after depreciation. There was an exchange gain of £5,000 (loss £30,000. Loss per share came out at 0.4p (2p). Comparisons include results of Speedwell Wire, which ceased production in February 1983.

The current situation remains difficult with low demand and severe price competition, particularly overseas, the directors stress.

Exeter Building

An unchanged interim dividend of 2.5p is declared by Exeter Building and Construction Group, although profit for the first half of 1983 has fallen from £391,000 to £327,000.

Wagon Finance higher at halfway but pace slowing

A £200,000 rise in pre-tax profits to £457,000 was achieved by the Wagon Finance Corporation in the six months to June 30, 1983.

Turnover for the period rose to £10.86m from £8.3m, and the pre-tax result was after higher interest on bank loans and overdrafts of £3.53m against £3.17m. Interest on deposit loans accounted for £272,000 (£371,000).

The total new business financed for the first half of the year increased by 17 per cent over the comparable period, but the company does not expect this increase to continue in the second six months. This is in view of the exceptional increase experienced in the latter half of 1982, due partially to the pent up demand at the time of the abolition of hire purchase controls in July 1982.

The interim dividend is pegged at 0.63p for the sixth year in succession. Last year's total dividend was 2.31p with a same again final of 1.69p. Tax for the period absorbed £272,000 (£164,000) giving earnings per share of 0.79p (0.4p).

As at the end of June 1983 unaudited accounts again showed record gross instalment credit balances amounting to £95.7m, after allowing for provisions for bad and doubtful debts, compared with £88.2m

● comment

The market had expected Wagon to make something like £1m pre-tax on the grounds that it would benefit more than it did from the recent boom in car sales and the effect of last year's abolition of HP controls on consumer credit demand. So when it produced £457,000, the shares slipped smartly down 8p to 45p, knocking around £2m off Wagon's market value. Rather hard treatment for a *company which has increased* its profits by 77 per cent over the comparable period and has a nicely growing pile of unearned finance charges to guard against any future setbacks. Wagon points out that last year's figures had been flattered by the claw-back of £446,000 of over-provision for earlier bad debts. On the trading side, the much-vaunted upsurge in credit demand has tailed off since the end of the year. Arrears are escalating primarily because of unemployment and bad debt provisions are rising again because easier terms have led to greater exposure. The new branches opened at the end of 1981 made losses in the first half of the year, but are trading profitably in the current quarter and should end up in the black for the year as a whole. On yesterday's price, the shares give a prospective yield of 7.4 per cent, assuming the final dividend stays the same as it has for the past six years.

Ward Holdings

Reflecting a reversion to normal trading conditions, profits of property developer Ward Holdings have trebled to £959,000, compared with £302,000, *for the half-year ended April 30 1983.*

The directors forecast that the full year's trading should be satisfactory having regard to the problems created by the very wet winter.

The interim dividend is being held at 1.19p per share, and is subject to waivers on 1.15m shares. The directors and their families control 58 per cent of the ordinary capital.

Linread

Linread, the West Midlands manufacturer of cold forged fasteners has revealed that is to undergo a "substantial reorganisation" in an effort to stem losses, which stretched to £355,000 in the half year to February.

Mr Michael Hughes, the chief executive, said that the company is planning to sell subsidiaries that are peripheral to the main manufacturing division.

In July, as a prelude to this *overall retrenchment, the wholly* owned subsidiary Fabco, a distributor of fasteners to the construction industry, was sold to the SFS group of Switzerland for £1.4m.

Mr Hughes was brought from Serck, BTR's valve manufacturing subsidiary, in June. He said he thought the retrenchment was unavoidable given the continued depressed state of the company's major domestic markets, though recently there had been a slight upturn *in the vehicle sector.*

Approximately 120 jobs have been shed in Linread's UK operations in the past few months leaving a reduced workforce of 560.

Bulgin reorganises

Bulgin (A. F.) has decided to reorganise the group into two main divisions, which are, the component design and manufacturing plant at Barking, together with Buccaneer oil and gas; the company's oil, gas, mineral and other investments, and Broxlea Holdings at Broxbourne.

Member companies are: Broxlea, Solent Component Supplies, Projex Distribution, Ambit International.

Mr A. R. Bulgin has been elected to the board following the retirement of Gladys Worwood.

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corre-sponding div.	Total for year	Total last year
Exeter Building ...int.	‡2.5	Oct. 1	2.5	—	7
Inv. Tst. of G'rnsey int.	§2.1	Nov. 1	§2.1	—	§5.6
Miss World Group ...int.	‡1	Oct. 14	—	—	—
Raybeck	0.25	Oct. 25	1.13	0.25	2.26
Ropner ....int.	1.75	—	1.75	—	4.5
Scottish Nrthrn. Inv. int.	0.96	Nov. 5	0.96¶	—	¶3.08
Wagon Finance ......int.	0.63	Oct. 21	0.63	—	2.31
Alfred Walker	0.75	—	—	0.75	—
Ward Holdings ......int.	1.9	Oct. 7	1.19	—	4.2

Dividends shown pence per share net except where otherwise stated. * Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. § Gross. ¶ On enlarged capital.

Results due next week

Market speculation over Ladbroke's *profits in the first six* months to June 30 has been rife as befits a business that makes a substantial proportion of its profits from cash betting. Long odds have been put on profits as high as £20m but the more popular betting is on a pre-tax profit of £17m up from £13.4m to be announced on Tuesday. Property profits are the main *variable.* Cash betting will be significantly higher than the first half last year, when the sports calendar was badly hit by poor weather. The hotel division has seen some increase in trading and the consumer electronics division, mainly Lasky's stores, is thriving on a healthy demand for videos and home computers. Gearing is high at the moment but a number of property developments are due to come on stream in 1984-85 which has put a lot of steam into the share price. *Ladbroke has doubled its stake* in Central Independent Television to 20 per cent and is interested in investing in cable TV which might prove a drain on resources so dividend payments may be on the conservative side with perhaps a 5 per cent addition to last year's net interim of 3.7p.

Babcock International's results for the six months to June 30, due on Wednesday, should show the benefits of the elimination of losses from its construction equipment group, which was sold last October after running nearly £4m into the red. That *disposal should have produced* a substantial decrease in interest payments via a reduction in debt. At the same time, the underlying trading performance should reflect a pick-up in demand for automotive components in the U.S. and the maturity of several large contracts at Renfrew. An increase from £8.3m to £13m or more before tax looks on the cards. Babcock's dividend has remained static for three years, and there seems no overwhelming reason to raise it beyond its present level of 3.4p net this time.

A 40 per cent jump in pre-tax profits, from £36m to £51m, is expected from Guardian Royal Exchange Assurance reporting interim results on Wednesday. The group's main operating territory is still in the UK and the better weather last winter should cut UK underwriting losses, even though the underlying trends are still unfavourable. Poor experience in the Irish Republic, Australia and its internal reinsurance arrangements, however, will restrict the improvement in underwriting losses to £34m against £40m. Investment income should be around 12 per cent higher at £80m. GRE could well follow the lead of the other composites and restrict the increase in the interim dividend to 10 per cent with a 7.7p payment.

Cadbury-Schweppes' interim figures for the period to mid-June, to be announced on Thursday, should show pre-tax profits marginally up at around £32m as *against the comparable £30.7m.* There should be a stronger improvement in trading profits but this will be almost wiped out by increases in interest charges to around £11m. For the chocolate industry as a whole sales volume rose by 4 per cent and Cadbury's should have been able to boost profits on the confectionery side. In soft drinks, Schweppes got off to a slow start to the year and the results from the U.S. *could be disappointing.* The Australian subsidiary has had a good year, with interim results already announced of £8.9m in pre-tax profits. Estimates for the full year vary widely reflecting uncertainty as to whether the boom in the soft drinks side during the hot weather will be cancelled out by the effect of raw material price rises (cocoa), which will feed through to retail prices and cut sales volume.

Associated Dairies Group final results for the year to May, to be announced on Wednesday, seem likely to be around £74m pre-tax, up from £59m last year. This comes on the back of the ASDA store expansion programme and the pick-up in consumer demand. The big turnround should occur in the furniture division which could well bring in pre-tax profits of over £2m. *The cash balances should* look healthy, and even if the dividend is pushed up by 15 per cent, it should be well covered. The fresh foods section of ASDA *should be up, compensating for* the fall in packaged groceries. The company is likely to remain cautious with no major rationalisations or expansions planned.

The Government is poised to raise £500m from the sale of a further 7½ per cent stake in British Petroleum. It could make a move soon after the announcement of BP's half year figures to June 30, due next Thursday — or it might wait until later in the year when production starts in China and in Mukluk, Alaska.

Net income of around £220m is expected in the second quarter, with an underlying replacement cost income of £280m compared with £190m in the first quarter. A slight increase in the dividend is likely this year, though BP might wait until the year-end before putting it up. BP suffered a large currency loss in the first quarter which is unlikely to be repeated in the second. Sobio, *which contributed £113m in the* first quarter, should bring in an additional £60m this time. The chemicals division is gradually improving and expected to break even and, despite heavy pressure from the continent, the refining business is expected to show the benefit of rationalisation and some improvement in margins.

Other interim results due next week include those of the Weir Group on Tuesday, to be followed by the first half year figures of Morgan Crucible on Thursday. On Wednesday, Johnson Matthey is due to publish its first quarter figures.

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
FINAL DIVIDENDS				
Arbuthnot Government Securities	Wednesday	8.25§	11.0	8.25§
Associated Dairies	Wednesday	1.01275	1.31282	1.25
Continental Microwave Holdings	Thursday	—	1.75	2.0
East of Scotland Onshore	Wednesday	0.5	1.35	0.65
Whitworth Electric	Friday	—	1.50937	—
INTERIM DIVIDENDS				
AGA	Friday	—	8.75†	
Anglo American Gold Invest. Co. Ltd.	Thursday	360‡	500‡	
Arrow Chemicals	Thursday	—	1.0	
Babcock International	Wednesday	3.4	3.6	
British Petroleum	Thursday	6.25	14.0	
Cadbury Schweppes	Thursday	1.4	3.5	
Cambridge Electronic Industries	Thursday	1.5	3.5	
Church and Co.	Friday	2.5	7.0	
Dewhirst, I. J.	Wednesday	0.28	0.736	
Dufay Bitumastic	Tuesday	0.83333	1.33333	
Francis Parker	Tuesday	0.35	0.7	
Good Relations Group	[illegible]	1.4	2.1	
Guardian Royal Exchange Assurance	[illegible]	7.0	12.5	
Hamilton Oil GB	[illegible]	—	1.0	

Company	Announcement due	Dividend (p)* Last year Int.	Last year Final	This year Int.
Johnson, Mathey	Wednesday	3.0	7.0	
Metal Closures	Thursday	2.2	3.5	
Micro Business Systems	Thursday	—	1.0	
Morgan Crucible	Thursday	3.5	4.0	
Noble and Lund	Thursday	0.175	0.175	
Nu-Swift Industries	Wednesday	0.825	1.21	
Owners Abroad	Wednesday	—	0.5	
Sparrow, G. W.	Wednesday	0.25	1.0	
Stanley, A. G.	Wednesday	1.0	[illegible]	
Weir Group	Tuesday	0.75	[illegible]	
INTERIM FIGURES				
Alexander Holdings	Friday			
Jacks, William	Wednesday			
Leopold Joseph Sterling Fund	Tuesday			
Meltorware International	Friday			
Robinson, Thomas	Wednesday			
Westwood Dawes	Friday			

* All dividends are shown net and adjusted ... shown otherwise. ‡ In SwFr and gross dividend ... § Gross dividends of 2.75p per quarter for ...

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and deals

Having originally been proposed on July 5, details have been announced for the merger of Mr James Gulliver's two publicly-quoted companies, leading retailers **Argyll Foods**, and off-licence and liquor group **Amalgamated Distilled Products**. This will create a retailing chain with a stock market valuation of over £250m. The merger is to be conducted through Mr Gulliver's management holding company, James Gulliver Associates, which will be renamed Argyll Group. Present holders of ADP equity will receive four new Argyll Group shares for every three ADP, with Argyll Foods participating on a one-for-one basis. The proposals will effectively give 74.5 per cent of the combined group to Argyll Foods' shareholders and 25.5 per cent to ADP holders, figures closely comparable to their respective asset contributions.

Spring Grove, the linen hire and sale concern, which announced earlier this month that it was involved in bid negotiations, is in receipt of an agreed offer from **Pritchard Services**, the building and municipal maintenance group, which also has linen hire interests. The share-exchange terms: seven Pritchard for every 20 Spring Grove, value the latter company at around £16.5m.

Through its offshoot Royal Reinsurance **Royal Insurance** is expanding into the U.S. reinsurance market via the purchase of American Overseas Holdings, a subsidiary of Marsh and McLennan, for a cash consideration of US$23m.

Charterhouse Petroleum, the UK oil group, is to acquire the outstanding share capital of North Sea licensee Jubilee Oil in a £4.5m deal. Charterhouse currently owns 30 per cent of Jubilee.

Bath and Portland, the troubled construction and engineering combine, is to dispose of its civil engineering interests by selling Marples Ridgway Construction to ICEC Contractors, a Jersey-based concern ultimately controlled by the Anglo-American group, for a provisional sum of £0.5m.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's**	Bidder
Prices in pence unless otherwise indicated.					
AE	69	63	36	67.78	GKN
Benn Bros¶	266	208	185	17.84	Extel
Branon	60*	60	58	1.84	Taddale
Drake and Scull	123½§§	116½	85	22.61	Simon Engineerg
Globe & Phoenix	70*	70	60	0.62	African Lakes
Hawkins & Tmpsn	35*§	38½	38	2.13	Evered
Huntleigh	225	220	203	32.32	Flight Refuelling
Ingram (H.)	65*§	300††	80	1.02	Wasskon
Ins Cpn of Ireland	286§	275	224	I£5.98	Allied Irish
KCA Drilling	37*‡	39	35	29.6	Rosshold
Pennine Res	30½*	37	26	3.96	Ivorbeam
Rediffusion	416§	420	353	129.33	BET
Spring Grove	50*	44	48	16.58	Pritchard Services
UBM Group	107§§	117½	99	62.74	Noreros
Waddington (J.)	283	270	204	17.66	BPCC
Whittingh'm (W.)	130*	124	114††	8.11	Comben Group

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ¶ Unconditional. ‖ Loan stock alternative. ** Based on August 26 1983. †† At suspension. ‡‡ Estimated. §§ Shares and cash.

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
American Trust	July	2,340	(1,830)	1.0	(1.0)
Bath and Portland	April	163	(1,780)	2.5	(2.5)
Baynes, Charles	June	206	(213)	0.31	(0.25)
BBA Group	June	2,840	(3,000)	0.84	(0.84)
Bensons Crisps	May	101	(147)	—	(—)
Benford Concrete	June	1,130	(1,610)	1.0	(0.9)
Blagden Industs	June	1,200	(1,070)	3.3	(3.0)
Blue Circle	June	48,200	(51,500)	6.0	(6.0)
Britoil	June	275,000	(514,000)**	3.3	(—)
BSR	June	6,200	(1,800)L	0.5	(—)
Carpets Intl	July	790	(2,980)L	—	(—)
Coleman Milne	June	186	(143)	0.6	(0.5)
Copydex	June	363	(37)	2.25	(—)
Crouch, Derek	June	177	(414)	1.63	(1.63)
Electro-protective	June	3,400‖	(1,910)‖	0.6‖	(0.5)‖
Fife Indmar	June	403	(397)	1.4	(1.3)
Hawley Group	June	5,100	(1,660)	1.32	(1.2)
Indpdnt Newspprs	June	1,320§	(1,120)§	4.0§	(4.0)§
Ingham, George	June	100	(52)	0.5	(0.25)
KCA Drilling	June	3,390	(3,640)	—	(—)
Kean and Scott	June	2,000	(569)	0.33	(—)
Lec Refrigeration	July	2,070	(1,110)	4.0	(2.75)
Leisuretime Int	April	198L†	(141)‡	—	(—)
London Brick	June	10,150	(7,460)	1.26	(1.0)
Lasmo	June	51,700	(64,200)	4.5¶	(4.5)
Needlers	June	39L	(22)L	—	(—)
Pearl Assurance	June	7,010	(5,240)	12.0	(9.5)
Phoenix Props	March	122	(22)	—	(—)
Queens Moat	July	1,610	(1,090)	0.66	(0.60)
Rentokil	June	9,400	(8,010)	0.675	(0.6)
Rockware	June	8,510L	(484)L	—	(—)
Rohan Group	June	1,030§	(1,860)§	5.85§	(5.85)§
Rotork	June	1,570	(1,580)	1.75	(1.35)
Scot Agric Inds	June	2,100	(1,700)	6.5	(5.75)
Sharpe, W. N.	June	1,750	(2,460)	4.5	(4.0)
Slough Estates	June	9,090	(7,250)	1.5	(1.25)
Stndrd & Chrt Bk	June	116,400	(100,900)	9.5	(9.2)
Sunbeam Wolsey	June	378§	(174)§	1.0§	(1.0)§
Supra	May	321	(262)	0.75	(0.75)
Taylor Woodrow	June	11,620	(9,640)	5.5	(5.5)
Tilley Int	April	9L	(48)	—	(—)
Webber Electro	March	153	(103)	1.75	(1.75)
Woodhse & Rixon	June	158L	(574)	0.5	(0.75)
Yorkshire Chems	June	664	(375)L	—	(—)

(Figures in parentheses are for the corresponding period.)

* Dividends are shown net except where indicated. † No tax. ‡ For seven months ended October 1982. § In I£. ¶ On capital increased by rights and/or acquisition issues. ‖ In U.S.$ and cents. ** No comparable figure available; results for 12 months to December 1982. L Loss.

Rights Issues

Floyd Oil Participation—Raising £3.02m net via a two for seven rights issue at 82p per share.

Nesco—Raising £640,000 via a two for five rights issue at 80p per share.

Pritchard Services—Raising £23.4m in connection with a bid for Spring Grove via a one for four rights issue at 120p per share.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Allen, W. G.	March	119L	(597)L	—	(—)	—	(—)
Apex Properties	March	600	(626)	3.9	(2.8)	2.0	(2.0)
Boardman, K. O.	March	190L	(4)	—	(—)	—	(—)
Copson, F	April	190	(200)	3.5	(3.3)	1.5	(1.5)
Dale Electric	May	1,900	(1,100)	9.8	(8.8)	4.0	(3.0)
Dura Mill	March	3	(3)	1.7	(7.0)	0.6	(0.6)
Hay & Robertson	May	58L	(102)L	—	(—)	—	(—)
Herrb'rger Brooks	May	81	(33)L	5.6	(—)	—	(—)
Immdte Business	March	1,600L	(189)L	—	(—)	—	(—)
Ingersoll Rand	April	5,190	(4,680)	—	(—)	—	(—)
McKay Securities	March	1,860	(1,700)	6.9	(6.0)	1.75	(1.5)
Mining Supplies	April	1,780L	(715)	—	(—)	0.1	(0.1)
Moran Tea Hldgs	April	524L	(423)L	—	(—)	1.0	(1.0)
Peerless	March	1,510	(1,470)	11.1	(10.6)	6.3	(6.3)
Pifco	April	1,420	(1,840)	17.0	(22.7)	5.28	(5.28)
Press Tools	April	158	(161)	4.6	(4.5)	2.0	(2.0)
Resource Tech	April	744	(530)	9.0	(6.0)	—	(—)
Saville, Gordon J.	April	586	(1,084)	2.9	(6.1)	3.38	(3.32)
Smith Whitworth	March	3	(300)L	—	(—)	—	(—)
Spear, P. R.	Dec	287L	(674)	—	(—)	0.1	(6.0)
Stoddard Hldgs	March	1,140L	(2,250)L	—	(—)	—	(—)
Waring & Gillow	March	295L	(632)	7.9	(6.8)	2.0	(2.0)
Wholesale Fittings	April	3,920	(3,469)	15.2	(13.9)	5.1	(4.54)

Offers for sale, placings and introductions

Cigna Overseas Finance—Raising £30m via an issue of partly paid bulldog bonds due 2008 at 200 basis points above 2004-08 British Treasury stock.

Memcom International—Plans offer for sale of 1.92m ordinary shares to raise £1.3m in the first over the counter market deal.

Rockware—Raising £9.6m through an issue of 10m 7.7 per cent preference shares.

APPOINTMENTS

Changes at Sun Alliance

Mr H. M. Hollingworth, group computer manager of management services and planning division, SUN ALLIANCE INSURANCE GROUP, *retires on November 30 and is succeeded by Mr J. Rochelle, at present* manager, computer department. **Mr E. G. Coward**, at present commercial underwriting manager of the home and overseas *divisions becomes group commercial underwriting manager with responsibility for home* division commercial underwriting and overseas division international underwriting.

★

ASHTON-TATE has appointed **Mr David Imberg** as managing *director, Europe. He joined* Ashton-Tate at the beginning of this year as UK managing director, where he has already developed a sizeable sales and support team for the five micro software products currently being marketed by Ashton-Tate.

★

Mr Ian Dixon is to relinquish his role as group chief executive to concentrate on future strategy for the JOHN WILLMOTT GROUP. He will continue as managing director of the parent company, John Willmott Holdings. He is succeeded as group chief executive by **Mr Peter Nash**, *previously one of his* deputies.

★

The VOLAC GROUP has appointed **Dr Trevor Tomkins** as managing director of its recently incorporated subsidiary, Volac U.S. He will remain technical director of Volac.

★

Mr W. G. Barrett, chairman and chief executive, Midland Bank Group International Trade Services, and **Mr W. Hogbin**, *managing director, Taylor Wood*row International, have been appointed members of the EXPORT GUARANTEES ADVISORY COUNCIL; and **Mr R. J. Dent** becomes deputy chairman in succession to Mr A. W. Higgins who has retired. Mr Dent is managing director of Baring Brothers and Co.

★

Mr Peter Vinson has been appointed chairman of the newly *reconstituted NEDO Economic* Development Committee for Construction Equipment and Mobile Cranes. He is managing director of the diesel division of Rolls Royce Motors.

★

Rear Admiral J. C. Kreffer, chairman of the Netherlands *Council of Oceanic Research* and until recently hydrographer of the Royal Netherlands Navy, has been elected president of the HYDROGRAPHIC SOCIETY, London, in succession to **Commodore A. H. Cooper** of the International Hydrographic Bureau, Monaco.

★

WIMPEY HOMES HOLDINGS has appointed **Mr John Campbell** as sales and marketing director. He was regional sales director at Rank Xerox with responsibility for overall sales and marketing in five European countries.

★

NABISCO BRANDS has appointed **Mr Patrick Holden** director of legal affairs, UK, a new position. He comes from Fisons where he was group secretary.

★

Mr John Weaver has been *appointed executive director of* the CITY COMMUNICATIONS CENTRE and the COMMITTEE ON INVISIBLE EXPORTS in succession to **Mr Colin Williams**.

★

Mr Peter W. Weller, a general manager of Standard Chartered Bank, has been elected deputy *chairman of the* BRITISH OVERSEAS AND COMMONWEALTH BANKS' ASSOCIATION. **Mr D. L. Murison**, executive chairman of the London board of Westpac Corp, remains chairman of the association. **Mr G. T. Watson** has been appointed honorary secretary in succession *to Mr Ian Cameron Black, who* has returned to Standard Chartered Bank.

★

Mr David Reavley has been appointed managing director of LANIER BUSINESS PRODUCTS in the UK. He was word processing manager with Olivetti, and is the first English managing director appointed by Lanier. Previous managing directors or presidents have been from the U.S.

★

ALLEN, BRADY & MARSH, has appointed a new financial director and company secretary, **Mr Howard Fair**, who joins the agency on September 5. He was finance director of Home Charm Group and held the same position at its subsidiary, Texas Homecare.

★

Sir Leslie Fletcher, chairman *of Glynwed International and* a deputy chairman of the Standard Chartered Bank, has been elected a non-executive director of RMC GROUP from September 1.

★

Lord Blake, Provost of The Queen's College, Oxford, joins the board of CHANNEL FOUR TELEVISION CO from September 1.

★

Mr Richard A. R. Bulgin has been elected to the board of A. F. BULGIN AND CO. following the retirement of **Ms Gladys Worwood**. **Mr Christopher J. Sawyer** has been appointed chief executive of Broxlea Holdings and **Mr Ronald A. McKellar** becomes financial director of this *division of Bulgin.* **Mr Ronald A. Bulgin** and **Mr Robert E. Bulgin**, chairman and managing director and deputy managing director respectively of A. F. Bulgin and Co. also join the board of Broxlea Holdings.

CONSTRUCTION CONTRACTS

Swiss firm builds Algerian schools

Swiss construction company **PREISWERK & CIE.**, Basle, has been awarded a SwFr 40m (£12.35m) contract for the building of four schools in the Mostaganem district of Algeria. The elements of the prefabricated schools will come from Switzerland, the complete construction programme to take only 10 months and provide over 2,000 jobs. A consortium of three leading banks—Swiss Bank Corp., Union Bank of Switzerland and Credit Suisse—has advanced 75 per cent of the cost. The Swiss Export Risk Guarantee programme has granted 70 per cent coverage for the contract.

★

An agreement has been signed worth 1.76m Rial Omani (£3.42m) between National Automobiles and Douglas OHI L.L.C. for the construction of a new showroom and workshop complex at Al Khuwair, designed especially for the distribution and maintenance of the prestigous range of BMW motor cars.

The buildings consist of a car showroom, extensive workshops and spare parts department, a customer reception area and suites of offices on the mezzanine and first floors. Work is due to commence on site by the end of August 1983 and work will be completed in 12 months. The contractor, Douglas OHI L.L.C., is a joint venture company between Oman Holdings International and R. M. *Douglas Holdings based in the* UK.

★

A £2m plus computer contract has been awarded to **ICL** by Telephone Manufacturers (TM) of South Africa. An ICL 2958 mainframe computer and 40 ICL Distributed Resources Systems *(DRS 20) will replace a current* ICL 2950 mainframe and terminals. ICL's On-Line Manufacturing and Control (OMAC 29) software package will control the multi-divisional manufacturing the retirement of Ms Gladys be interfaced with the MIDAS on-line order processing and financial accounting package provided by software house, Systemsolve.

★

COMPAIR CONSTRUCTION AND MINING has been awarded a contract in the Falkland Islands' airport programme. The Laing-Mowlem-ARC joint venture has selected CompAir to provide £1m worth of compressors and drilling equipment needed for site clearance, aggregate quarrying and the construction of the runway and airport buildings.

★

Cambridgeshire County Council has awarded **PALL MALL CLEANING GROUP** a contract worth more than £1m over two years *for cleaning of 100 schools* in the Peterborough/Huntingdon area.

★

MARPLES RIDGWAY BUILDING, a member of the Bath and Portland Group, has been awarded a contract worth £900,000 by the South Western Regional Health Authority. The contract covers the development of residential accommodation for a new hospital at Weston Super Mare. Twenty-two, two-storey semi-detached units will be built in an area adjoining the hospital.

★

FAIRCLOUGH BUILDING'S eastern division has started work on a £828,000 contract to add extra cladding to two multi-storey blocks of flats for Gateshead Metropolitan Borough Council. Work is expected to be completed in August 1984.

★

CARSON OFFICE FURNITURE has been awarded the £180,000 contract from Trafford Metropolitan Borough Council to supply furniture for the refurbishment of its Warbrick House offices at Sale, Greater Manchester.

★

C. H. BEAZER has secured two contracts for its security and defence subsidiaries—one worth £850,000 to supply bullet-proof doors and fittings for a Hong Kong Bank, and the other to equip an Italian warship with a glass fibre sonar bow dome. The doors will be manufactured by *Salisbury-based* Carleton Russell, a division of Westbrick Plastics, while the glass fibre dome will be constructed by glass-reinforced plastic boat pioneers, W and J Tod, Weymouth. The dome and tooling will take 18 months to build and will house electronic equipment supplied by the Raytheon Corp in the U.S. for the 11,000 ton helicopter carrier Giuseppe Garibaldi, currently being built in a continental yard near Trieste, for commissioning in two years' time.

★

The Midlands branch of **WILLIAM STEWARD AND CO** has received orders for electrical installations worth more than £750,000. The largest is for a parts warehouse and office block at Talbot Motors, Coventry. This *building will replace Talbots'* factory in Coventry Road, Birmingham.

★

UNITED LINEN SERVICES, a member of Pritchard Services Group, has been awarded a £1.7m, five-year contract for the supply and maintenance of workwear for British Airways' industrial staff stationed at airports throughout the UK. United Linen Services will be responsible for measuring and fitting each of BA's 10,000 industrial staff with overalls or protective coats.

★

The ***UNIVERSAL METALLIC PACKING COMPANY***, a member of the AE Group, has won an order worth more than £400,000 for the supply of Coastguard anti-pollution sterngear equipment to Daewoo Shipbuilding and Heavy Machinery of the Republic of Korea. The order is believed to be the largest single shipbuilding contract (12 container ships) placed with any shipyard for many years. The ships are to be *built for United States Lines of* New York, U.S. and will be amongst the largest container ships ever built with a cargo capacity of 2109 FEU.

★

BICC SUPERTENSION CABLES has been awarded a £2.7m contract by the Calcutta Electric Supply Corporation (India) for the supply of 72 km of 132kV gas-filled cables and associated accessories.

★

A contract valued at just over £660,000 for construction of staff accommodation at the Manor Hospital, Christ Church Road, Epsom, has been awarded to **TRIGGS CONSTRUCTION**. Client is the Mid Surrey Health Authority. Work starts at the beginning of September, for completion in August 1984.

EUROPEAN OPTIONS EXCHANGE

Series	Nov. Vol.	Nov. Last	Feb. Vol.	Feb. Last	May Vol.	May Last	Stock
GOLD C	[illegible]						
GOLD P	[illegible]						
SILV C	[illegible]						
SILV P	[illegible]						
AKZO C	[illegible]						
AKZO P	[illegible]						
KLM C	[illegible]						
KLM P	[illegible]						
PHIL C	[illegible]						
PHIL P	[illegible]						
RD C	[illegible]						
RD P	[illegible]						
UNIL C	[illegible]						
UNIL P	[illegible]						
13¼ NL 81 87-91	[illegible]						
9¼ NL 83 87-90	[illegible]						

		Sept. Vol.	Sept. Last	Dec. Vol.	Dec. Last	Mch. Vol.	Mch. Last	
7½ NL 83 87-90 C	F.95	—	—	—	—	10	3	F.95.10
D/FL C	F.290	—	—	101	8.80 B	—	—	F.298.60
D/FL C	F.295	11	4	—	—	—	—	"
D/FL C	F.300	—	—	14	4	—	—	"
D/FL C	F.305	—	—	101	2.20	—	—	"
D/FL C	F.310	—	—	32	1.30	—	—	"
D/FL P	F.295	32	3 A	—	—	—	—	"

TOTAL VOLUME IN CONTRACTS: 17,157

A=Asked B=Bid C=Call P=Put

BASE LENDING RATES

A.B.N. Bank	9½%	■ Hambros Bank	9½%
Al Baraka International	9½%	Heritable & Gen. Trust	9½%
Allied Irish Bank	9½%	■ Hill Samuel §	9½%
Amro Bank	9½%	C. Hoare & Co. †	9½%
Henry Ansbacher	9½%	Hongkong & Shanghai	9½%
Arbuthnot Latham	9½%	Kingsnorth Trust Ltd.	11 %
Armco Trust Ltd.	9½%	Knowsley & Co. Ltd.	10 %
Associates Cap. Corp.	9½%	Lloyds Bank	9½%
Banco de Bilbao	9½%	Mallinhall Limited	9½%
Bank Hapoalim BM	9½%	Edward Manson & Co.	10½%
BCCI	9½%	Midland Bank	9½%
Bank of Ireland	9½%	■ Morgan Grenfell	9½%
Bank Leumi (UK) plc	9½%	National Bk. of Kuwait	9½%
Bank of Cyprus	9½%	National Girobank	9½%
Bank of Scotland ◊	9½%	National Westminster	9½%
Banque Belge Ltd.	9½%	Norwich Gen. Tst.	9½%
Banque du Rhone	10½%	P. S. Refson & Co.	9½%
Barclays Bank	9½%	Roxburghe Guarantee	10 %
Beneficial Trust Ltd.	10½%	Royal Trust Co. Canada	9½%
Bremar Holdings Ltd.	9½%	Standard Chartered ‖	9½%
Brit. Bank of Mid. East	9½%	Trade Dev. Bank	9½%
■ Brown Shipley	10 %	TCB	9½%
CL Bank Nederland	9½%	Trustee Savings Bank	9½%
Canada Perm't Trust	10½%	United Bank of Kuwait	9½%
Castle Court Trust Ltd.	10 %	United Mizrahi Bank	9½%
Cayzer Ltd.	9½%	Volkskas Intnl. Ltd.	9½%
Cedar Holdings	10 %	Westpac Banking Corp.	9½%
■ Charterhouse Japhet	9½%	Whiteaway Laidlaw	10 %
Choulartons	10½%	Williams & Glyn's	9½%
Citibank Savings ¶	10½%	Wintrust Secs. Ltd.	9½%
Clydesdale Bank	9½%	Yorkshire Bank	9½%
C. E. Coates	10 %		
Comm. Bk. of N. East	9½%		
Consolidated Credits	9½%		
Co-operative Bank *	9½%		
The Cyprus Popular Bk.	9½%		
Duncan Lawrie	9½%		
E. T. Trust	10 %		
Exeter Trust Ltd.	10½%		
First Nat. Fin. Corp.	11½%		
First Nat. Secs. Ltd.	11½%		
Robert Fraser	10 %		
Grindlays Bank ‡	9½%		
■ Guinness Mahon	9½%		

■ Members of the Accepting Houses Committee.
* 7-day deposits 6%, 1-month 6.25%. Short-term £8,000/12-months 8.6%.
† 7-day deposits on sums of: under £10,000 6%, £10,000 up to £50,000 7%, £50,000 and over 8%.
‡ Call deposits £1,000 and over 6%.
‖ 21-day deposits over £7,000 7%.
§ Demand deposits 6%.
¶ Mortgage base rate.
◊ Money Market Cheque Account—9.15%. Effective annual rate—9.54%.

LONDON TRADED OPTIONS

Option	CALLS Oct.	CALLS Jan.	CALLS Apr.	PUTS Oct.	PUTS Jan.	PUTS Apr.
Brit. Petroleum (*438)						
300	140	—	—	1½	—	—
[illegible]						
Cons. Goldfields	[illegible]					
Courtaulds	[illegible]					
Commercial Union	[illegible]					
G.E.C.	[illegible]					
Grand Met.	[illegible]					
I.C.I.	[illegible]					
Land Securities	[illegible]					
Marks & Spencer	[illegible]					
Shell Transport	[illegible]					
Barclays Bank	[illegible]					

Option	CALLS Nov.	CALLS Feb.	CALLS May	PUTS Nov.	PUTS Feb.	PUTS May
Imperial Group (*117)						
110	12	16	19	4	5	7
[illegible]						
LASMO	[illegible]					
Lonrho	[illegible]					
P. & O.	[illegible]					
Racal	[illegible]					
R.T.Z.	[illegible]					
Vaal Reefs	[illegible]					
Beecham	[illegible]					
Guest Keen	[illegible]					

Aug. 26 Total Contracts 1,678 Calls 689 Puts 1,009
* Underlying security price.

WORLD STOCK MARKETS

Wall Street shows strength

EARLY LOSSES were reversed on Wall Street yesterday, when stock prices gained some strength as selling pressure began to subside.

After opening 5.99 down at 1,179.07, the Dow Jones Industrial Average rallied to 1,188.52 by 1 pm, up a net 3.46 on the day and reducing its loss on the week to 5.69. The NYSE All Common Index, at $93.42, gained 24 cents on the day but was still off $1.50 on the week.

In the broad market, however, declining issues led advances by about 651-to-573. Volume fell 5.16m shares to 44.35m, compared with 1 pm Thursday.

One analyst said a downside correction seems to have ended and he expects stocks may rally in the afternoon. He also said prices may have reached levels sufficiently low enough to again attract Institutional funds.

A sharp drop in M-1 Money Supply may provide the spark needed to push the Blue Chip Index above the 1,200 level.

The average estimate indicates a $800m drop in M-1.

Gaining issues included National Semiconductor, up $1¼ to $49¼ and Lockheed, which recovered $2¼ to $106¼.

Motors were also stronger as Chrysler rose $1⅛ to $25¼. General Motors $1⅛ to $65¾ and Ford $1⅛ to $54½.

Losing issues included Loral, off $1½ to $52¾, despite higher earnings. Sanders Associates declined $1 to $97.

THE AMERICAN SE Market Value Index shed 0.34 to 226.14, making a loss of 4.87 on the week. Trading volume decreased 566,000 shares to 3.82m, compared with 1 pm Thursday.

Canada

Stocks continued to drift lower around noon yesterday, with the Toronto Composite Index off 9.8 at 2,425.4.

The Metals and Minerals Index lost 45.6 to 2,465.1, Golds 2.4 to 4,532.2, Oil and Gas 4.2 to 3,707.8 and Utilities 2.80 to 295.63. But Papers rose 1.13 to 202.19.

Alcan Aluminium were off $1⅞ at $44⅛ in active trading—it said it is planning a 7m common share offering and boosting capital spending.

Closing prices for North America were not available for this edition

Tokyo

Mixed in light, featureless trading. The market average gained 2.47 to 9,145.54. Volume 300m (330m) shares.

Dealers said liquidation ahead of the end of the month and the effect of the yen's fall against the dollar erased most early gains, led by Incentive backed shares.

Constructions were bought selectively and Tekken Construction gained Y65 to 319 on expectations of increased orders from Japan National Railways.

Shippings were bought on expectations of a recovery in the Tanker Market.

Sugar shares were in demand on news that an Advisory Panel urged the Government to declare sugar refining a recession hit industry. Toyo Sugar rose Y5 to 135.

Drugs were lower but Textiles, non-ferrous Metals and Papers were higher. Eisei fell Y30 to Y1,550 and Green Cross Pharmaceutical lost Y30 to Y1,580.

Hong Kong

Little changed after moving narrowly throughout.

Realty Development Corp, a subsidiary of the Wheelock Marden Group, "A" held unchanged at $HK3.10, despite a smaller interim profit although it maintained its dividend for both "A" and "B" shares.

Australia

Shares recovered after falling substantially in early trading to close virtually unchanged.

Brokers attributed the recovery to strong buying from bargain hunters, indicating markets are primed for further advances.

Heavyweight Minings finished narrowly mixed, after falling widely in early trading.

Golds closed widely mixed, despite declines in world bullion prices. GMK rose 20 cents to $A11.80. Peko and Poseidon each gained 14 cents to $A7.80 and $A6.64, respectively.

Banks were very heavily traded following Thursday's announcement that National Australia planned to raise $A130m through a one-for-four rights issue. National Australia and Westpac each closed steady at $A3.20 and $A3.15, respectively. ANZ rose 9 cents to $A4.75.

Singapore

Mixed with prices fluctuating uncertainly on short covering and profit-taking in selective moderate trading.

Some nervousness was evident in the morning session following reports quoting Malaysian Deputy Finance Minister as saying that some Bankers, Stockbrokers and Company Executives had used privileged information to buy shares in the Kuala Lumpur Stock Exchange.

The Straits Times Industrial Index shed 4.05 to S$986.57.

The most active counter was Faber Merlin, 6 cents up at S$2.68, with 1.3m units transacted.

Germany

Again easier. Dealers cited no new factors, but said worries about the direction of U.S. interest rates, the firm dollar, and Brazil's debt crisis all remain background factors depressing markets. The draining of liquidity from Money Markets by the U.S. Federal Reserve Thursday, pushing Fed funds up and with them the dollar, has newly focused these fears.

The Commerzbank Index fell 5.8 to 927.5

AEG moved up DM 4.60 to 76 on hopes it may win orders following news of Switzerland's decision to buy West German, and not U.S. tanks.

In Engineerings, Linde were down Frs 5 to 377. Mannesmann shed DM 1.50 to 137.80 on lower first half turnover and profits.

Paris

Mixed in active trading. Profit-taking following recent price rises here was triggered by Wall Street's overnight close.

Foods, Financials, Shops and Public Works fell, while Chemicals, Banks and Motors were steady.

Foods registered the heaviest losses, with Bongrain down FFr 20 to 1,580, Moet-Hennessy FFr 33 to 1,241 and Martell FFr 73 to 1,122. Beghin-Say rose FFr 8.8 to 324.

In lower Constructions, Dumez fell FFr 29 to 899.

Thomsen-CSF advanced FFr 13 to 174, while Cit-Alcatel lost FFr 15 to 1,255.

In Foreigns, Germans registered the steepest losses, followed by Coppers and Dutch shares. Japanese resisted, while Americans and Golds fell.

Switzerland

Domestic stocks finished lower in a moderate Settlements day trading, amid uncertainty about the trend for interest rates.

Utilities showed some strength, with Atel gaining SwFr 10 to 1,380 and EG Laufenburg also SwFr 10 to 2,540.

Retailers turned mixed, with Innovation SwFr 10 higher at 515 but Jelmoli dipped SwFr 15 to 1,675.

Bonds steady in thin trading as many operators remained sidelined, due to the uncertain interest rates outlook.

In the Foreign sector, Dollar stocks traded around overnight New York closing levels, Dutch Internationals eased. Germans edged lower. South African Gold Mining Financials were little changed.

Milan

Selectively firmer in quiet trading, with many operators on the sidelines waiting for the new Government's decisions on public spending.

Bonds were mainly lower in lively trading, with Treasury Certificates mixed.

FOREIGN EXCHANGES

Dollar firm

The dollar finished on a firm note, already discounting a fall in the U.S. M1 money supply. This was expected to bring M1 growth within Federal Reserve target, but the foreign exchanges remained very nervous about future trends, with a general expectancy that another M1 bulge will occur during September.

The dollar touched a peak of DM 2.6725 against the Deutsche Mark, and closed at DM 2.6680, compared with DM 2.6355 previously. It also rose to FFr 8.0250 from FFr 7.9410 against the French franc to SwFr 2.1715 from SwFr 2.1425 in terms of the Swiss franc and to Y246 from Y243 against the dollar. Squaring of positions ahead of the month end also contributed to the strength of the U.S. currency.

On Bank of England figures the dollar's trade-weighted index rose to 128.8 from 127.6.

Sterling opened at $1.4950-1.4960, fairly near to the lowest level of the day, and touched a peak of $1.5080-1.5090 on short covering after Thursday's fall following the disappointing UK July trade figures. The pound closed at $1.5010-1.5020, a fall of 65 points from the previous close.

On the other hand the strength of the dollar also helped sterling recover against Continental currencies. It rose to DM 4.0075 from DM 3.9750 to FFr 12.05 from FFr 11.9750 to SwFr 3.26 from SwFr 3.23; and to Y369.50 from Y366.50.

The pound's trade-weighted index rose to 84.8 from 84.7, after opening at 84.7, and standing at 85.2 at noon.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU August 26	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc ...	44.9008	45.7459	+1.88	+1.21	±1.5447
Danish Krone ...	8.14104	8.19787	+0.70	+0.03	±1.6425
German D-Mark	2.24184	2.27478	+1.47	+0.80	±1.0842
French Franc ...	6.87456	6.84831	−0.38	−1.05	±1.4062
Dutch Guilder ...	2.52595	2.54812	+0.88	+0.21	±1.4964
Irish Punt	0.72569	0.723165	−0.35	−1.02	±1.6699
Italian Lira	1403.49	1357.26	−3.29	−3.29	±4.1505

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

THE POUND SPOT AND FORWARD

Aug 26	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.4940-1.5090	1.5010-1.5020	par-0.05c dis	−0.20	0.13-0.18dis	−0.41
Canada	1.8400-1.8570	1.8470-1.8480	0.10c pm-par	0.32	0.10 pm-par	0.11
Nethlnd.	4.45-4.50	4.48-4.49	1½-1¼c pm	3.68	4¼-3⅞ pm	3.68
Belgium	79.85-80.60	80.42-80.52	7c pm-3 dis	0.30	8 pm-2 dis	0.15
Denmark	14.32-14.47	14.44¾-14.45¾	¼ore pm-⅞ dis	−0.21	2-¾ pm	0.38
Ireland	1.2700-1.2800	1.2736-1.2746	0.23-0.26p dis	−2.26	0.67-0.72dis	−2.18
W. Ger.	3.97-4.02	4.00¾-4.01¾	1½-1¼pf pm	4.49	4¾-4 pm	4.24
Portugal	183.00-186.00	184.50-185.00	155-430c dis	−19.00	475-1185dis	−17.97
Spain	225.50-228.00	226.30-226.50	318-425c dis	−19.53	1125-1365dis	−22.00
Italy	2,370-2,394	2,388-2,390	14-16lire dis	−7.53	45-49 dis	−7.87
Norway	11.13-11.25	11.19½-11.20½	2½-3½ore dis	−3.28	8½-9½ dis	−3.19
France	11.96-12.06	12.04½-12.05½	3½-4½c dis	−3.73	14½-16½ dis	−5.14
Sweden	11.74-11.86	11.80¾-11.81¾	1½-2¼ore dis	−1.90	4¾-5¾ dis	−1.65
Japan	365-371	369-370	1.05-0.85y pm	3.08	2.90-2.70 pm	3.03
Austria	27.90-28.15	28.06-28.11	10¾-8gro pm	4.00	31-26 pm	4.06
Switz.	3.22-3.27	3.25¾-3.26¾	1⅝-1⅜c pm	5.06	4⅝-3⅞ pm	5.06

Belgian rate is for convertible francs. Financial franc 80.90-81.00. Six-month forward dollar 0.32-0.37c dis. 12-month 0.65-0.85c dis.

THE DOLLAR SPOT AND FORWARD

Aug 26	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.4940-1.5090	1.5010-1.5020	par-0.05c dis	−0.20	0.13-0.18dis	−0.41
Ireland†	1.1775-1.1855	1.1810-1.1820	0.36-0.33c pm	3.51	1.00-0.90 pm	3.22
Canada	1.2300-1.2310	1.2305-1.2310	0.06-0.03c pm	0.44	0.18-0.15 pm	0.54
Nethlnd.	2.9735-2.9890	2.9870-2.9890	1.05-0.95c pm	4.03	3.05-2.95 pm	4.03
Belgium	53.35-53.61	53.59-53.61	3½-2c pm	0.62	9-7 pm	0.60
Denmark	9.5725-9.6225	9.6125-9.6225	0.30ore pm-0.20dis	0.06	2.90-2.40 pm	1.11
W. Ger.	2.6540-2.6725	2.6675-2.6685	1.05-1.00pf pm	4.60	3.08-3.03 pm	4.57
Portugal	122.40-123.50	123.20-123.50	100-275c dis	−18.24	300-760dis	−17.19
Spain	150.65-151.20	151.00-151.20	175-225c dis	−15.88	650-750dis	−18.53
Italy	1,585-1,592	1,590½-1,591½	10-10½lire dis	−7.73	30-31 dis	−7.67
Norway	7.4450-7.4600	7.4450-7.4500	1.90-2.20ore dis	−3.30	5.15-5.45dis	−2.85
France	7.9960-8.0390	8.0225-8.0275	2.40-2.70c dis	−3.81	10-10½ dis	−5.16
Sweden	7.8900-7.8700	7.8550-7.8600	1.00-1.20ore dis	−1.68	2.50-2.70dis	−1.32
Japan	243.90-246.15	245.95-246.05	0.72-0.62y pm	3.27	2.10-2.00 pm	3.33
Austria	18.65-18.74	18.72½-18.73½	7.70-6.80gro pm	4.68	23.30-20.30pm	4.66
Switz.	2.1570-2.1780	2.1710-2.1720	0.89-0.84c pm	5.24	2.96-2.91 pm	5.42

†UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 53.87-53.97.

EXCHANGE CROSS RATES

Aug. 26	Pound Sterling	U.S. Dollar	Deutschem'k	Japanese Yen	French Franc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.502	4.008	369.6	12.05	3.260	4.485	2389.	1.848	80.47
U.S. Dollar	0.666	1.	2.669	246.1	8.025	2.171	2.987	1591.	1.230	53.59
Deutschmark	0.250	0.375	1.	92.20	3.007	0.813	1.119	596.1	0.461	20.08
Japanese Yen 1,000	2.706	4.064	10.85	1000.	32.61	8.823	12.14	6464.	5.000	217.8
French Franc 10	0.830	1.246	3.326	306.6	10.	2.705	3.722	1983.	1.533	66.78
Swiss Franc	0.307	0.461	1.229	113.3	3.696	1.	1.376	732.8	0.567	24.68
Dutch Guilder	0.223	0.335	0.894	82.39	2.687	0.727	1.	532.7	0.412	17.94
Italian Lira 1,000	0.419	0.629	1.677	154.7	5.044	1.365	1.877	1000.	0.773	33.68
Canadian Dollar	0.541	0.813	2.169	200.0	6.522	1.765	2.428	1293.	1.	43.56
Belgian Franc 100	1.243	1.866	4.980	459.3	14.97	4.051	5.574	2969.	2.296	100.

MONEY MARKETS

Rates stable

UK clearing bank base lending rate 9½ per cent (since June 14)

Credit conditions were little changed in the London money market yesterday, and interest rates remained stable. The Bank of England at first forecast a shortage of £300m, but this was revised to £200m at noon, and to £250m in the afternoon.

Bills maturing in official hands, repayment of any late assistance provided by the authorities, and a take-up of Treasury bills from the previous week's tender drained £135m. The usual Friday rise in the note circulation absorbed another £280m, but these factors were partly offset by above target bank balances of £60m, and Exchequer transactions adding another £20m to liquidity.

Before lunch the Bank of England gave help of £216m through purchases of £7m bank bills in band 1 (up to 14 days maturity) at 9$\frac{7}{16}$ per cent; £59m bank bills in band 1 at 9$\frac{7}{16}$ per cent; £15m bank bills in band 2 (15-33 days) at 9⅜ per cent; £57m bank bills in band 3 (34-63 days) at 9$\frac{5}{16}$ per cent; £3m Treasury bills in band 4 (64-91 days) at 9¼ per cent; and £75m bank bills in band 4 (64-84 days) at 9¼ per cent.

In the afternoon another £42m bank bills were bought in band 1 at 9$\frac{7}{16}$ per cent, bringing total assistance on the day to £258m.

London interbank interest rates had a slightly firmer tone, with three-month money rising to 9$\frac{13}{16}$-9$\frac{11}{16}$ per cent from 9½-9⅝ per cent.

LONDON MONEY RATES

Aug. 26 1983	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Discount Company Deposits	Market Deposits	Treasury Bills ♦	Eligible Bank Bills ♦	Fine Trade Bills ♦
Overnight	—	9-10	9¾-9⅞	—	—	9¼-10	6-9¼	—	—	—
2 days notice	—	—	9½	—	—	—	—	—	—	—
7 days or 7 days notice	—	9⅝-10	9½	—	—	9¾	9½	—	—	—
One month	9$\frac{11}{16}$-9$\frac{9}{16}$	9⅝-9⅝	9⅝	[illegible]	9¾	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Two months	9¾-9⅝	9$\frac{11}{16}$-9⅞	9⅝	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Three months	9⅝-9¾	9$\frac{13}{16}$-9$\frac{11}{16}$	9$\frac{11}{16}$	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Six months	9$\frac{13}{16}$-9⅞	10⅛-10¼	10	[illegible]	[illegible]	—	—	—	—	[illegible]
Nine months	10$\frac{1}{16}$-10$\frac{1}{16}$	10⅛-10½	10	[illegible]	[illegible]	—	—	—	—	—
One year	10¼-10⅛	10$\frac{5}{16}$-10⅜	10⅜	[illegible]	[illegible]	—	—	—	—	—
Two years	—	—	11	—	—	—	—	—	—	—

ECGD Fixed Rate Export Scheme IV. Average Rate for interest period July 6 to August 2 1983 (inclusive) 9.989 per cent.

Local authorities and finance houses seven days' notice, others seven days fixed. Long-term local authority mortgage rates nominally three years 11¼ per cent; four years 11½ per cent; five years 11½ per cent. ♦ Bank bill rates in table are buying rates for prime paper. Buying rate for four-month bank bills 9⅝ per cent; four months trade bills 10⅛ per cent.

Approximate selling rate for one month Treasury bills 9⅜ per cent; two months 9⅜-9⅜ per cent; three months 9⅜-9⅜ per cent. Approximate selling rate for one month bank bills 9⅝ per cent; two months 9⅝ per cent and three months 9½ per cent; trade bills 9⅝ per cent; two months 9¾ per cent; and three months 9¾ per cent.

Finance Houses Base Rate (published by the Finance Houses Association) 10 per cent from August 1, 1983. London and Scottish Clearing Bank Rates for lending 9½ per cent. London Deposit Rates for sums at seven days' notice 6 per cent.

Treasury Bills: Average tender rates of discount 9.3231 per cent. Certificates of Tax Deposit (Series 6). Deposits of £100,000 and over held under one month 9½ per cent; one-three months 9¾ per cent; three-six months 10¼ per cent; six-12 months 10½ per cent. Under £100,000 9¼ per cent from July 20. Deposits held under Series 4-5 9¾ per cent. The rates for all deposits withdrawn for cash 8 per cent.

OTHER CURRENCIES

Aug. 26	£	$		£ Note Rates
Argentina Peso...	16.53-16.61	11.34-11.054	Austria	28.00-28.30
Australia Dollar..	1.7020-1.7040	1.1325-1.1335	Belgium	80.70-81.50
Brazil Cruzeiro...	1,061.35-1,006.50	668.0-67.10	Denmark	14.37-14.61
Finland Markka..	8.5610-8.5900	5.70005.7060	France	12.01-12.13
Greek Drachma..	136.72-137.17	91.20-91.50	Germany	3.98¾-4.02¾
Hong Kong Dollar	11.14¼-11.16¼	7.45-7.45	Italy	2350-2390
Iran Rial	132.50*	87.10*	Japan	365-370
Kuwait Dinar (KD)	0.4370-0.4380	0.2916-0.29205	Netherlands	4.47-4.51
Luxembourg Fr.	80.42-80.52	53.59-53.61	Norway	11.18-11.28
Malaysia Dollar..	3.5125-3.5225	2.3485-2.3515	Portugal	180½-205
New Zealand Dlr.	2.3045-2.3095	1.5335-1.5360	Spain	217¼-232¼
Saudi Arab. Riyal	5.2080-5.2145	3.4790-3.4810	Sweden	11.79-11.89
Singapore Dollar	3.1950-3.2050	2.1370-2.1400	Switzerland	3.24¼-3.27¼
Sth. African Rand	1.6875-1.6885	1.1240-1.1245	United States	1.50-1.52
U.A.E. Dirham	5.4965-5.5020	3.6720-3.6730	Yugoslavia	172-191

* Selling rates.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Aug. 26	Short term	7 days notice	Month	Three Months	Six Months	One Year
Sterling	9⅛-9⅜	9⅝-9¾	9⅝-9¾	10-10⅛	10⅛-10¼	10⅜-10½
U.S. Dollar	9⅛-9⅜	9¼-9⅜	9½-9⅝	10-10⅛	10⅛-10¼	10⅜-10½
Can. Dollar	9-9¼	9⅛-9¼	9⅛-9¼	9⅛-9⅜	9⅜-9½	9⅝-9¾
D. Guilder	5⅛-6	5⅜-6	5⅝-6⅛	6⅛-6½	6⅜-6¾	6⅝-6⅞
S. Franc	1-1¼	1¾-2	4⅛-4⅜	4⅜-4⅝	4⅞-5	4⅞-5
Deutschmark	4¼-4⅜	5-5⅛	5⅜-5⅛	5⅜-5½	5⅝-5¾	6⅛-6⅜
Fr'nch Franc	12-13¼	13¼-13½	13⅜-13¾	15-15¼	16¼-16½	16⅝-16⅞
Italian Lira	15⅜-16½	15¾-17	17-17½	17⅜-18	17⅜-18	18⅝-19
Belg. Franc. Conv.	9¼-10	9⅛-9⅜	9⅛-9⅜	9⅜-9⅝	9¾-10¼	10-10½
Fin.	9¼-10	9⅛-9⅜	9⅛-9⅜	9⅜-9⅝	9¾-10¼	10-10½
Yen	6¼-6⅛	6⅛-6½	6⅝-6¾	6⅝-6¾	6⅝-6¾	6⅝-6¾
D. Krone	11¼-12¼	11⅞-12¼	11⅞-12¼	11⅛-12	11⅛-12	11⅛-12
Asia $ (Sing.)	9⅛-9⅜	9⅛-9⅜	9⅜-9⅞	10⅛-10⅜	10⅛-10⅜	10⅜-10⅝

FT LONDON INTERBANK FIXING

1.00 a.m. AUGUST 26

3 month U.S. dollars		6 month U.S. dollars	
bid 10 1/16	offer 10 3/16	bid 10 7/16	offer 10 9/16

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 am each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

COMMODITIES AND AGRICULTURE

WEEKLY PRICE CHANGES

	Latest prices per tonne unless stated	Ch'nge on week	Year ago	1983 High	1983 Low
METALS					
Aluminium	£1050		£810/815	£1050	£810/815
Free Markets c.i.f.	$1600/1650	+25	$960/990	$1600/1650	$995/1025
Antimony	[illegible]		[illegible]	[illegible]	[illegible]
Free Market 99.6%	$1690/1940		$2050/2100	$2440/2480	$1750/1850
Copper-Cash High Grade	£1060.75	−5.25	£847.5	£1181.5	£962.75
3 months Do. Do.	£1084.25	−5.25	[illegible]	[illegible]	[illegible]
Cash Cathodes	£1041	[illegible]	£803.5	[illegible]	[illegible]
3 months Do.	£1066.5	[illegible]	[illegible]	[illegible]	[illegible]
Gold per oz	$418.125	−3.25	$410.5	$509.25	$400.75
Lead Cash	£281.625	[illegible]	[illegible]	[illegible]	[illegible]
3 months	£277.125	[illegible]	[illegible]	[illegible]	[illegible]
Nickel	£3,300	[illegible]	[illegible]	[illegible]	[illegible]
Free Market c.i.f. lb	200/225c	[illegible]	[illegible]	[illegible]	[illegible]
Palladium per oz	$134.50	[illegible]	[illegible]	[illegible]	[illegible]
Platinum per oz	£280.00	[illegible]	[illegible]	[illegible]	[illegible]
Quicksilver (76 lb.)	$290/300	[illegible]	[illegible]	[illegible]	[illegible]
Silver per oz	810.20p	+5.75	423.05p	[illegible]	[illegible]
3 months per oz	834.75p	[illegible]	[illegible]	[illegible]	[illegible]
Tin cash	£8447.5	[illegible]	[illegible]	[illegible]	[illegible]
3 months	£8560	[illegible]	[illegible]	[illegible]	[illegible]
Tungsten	$68.25	[illegible]	[illegible]	[illegible]	[illegible]
Wolfram (22.04 lb.)	$73/77	[illegible]	[illegible]	[illegible]	[illegible]
Zinc cash	£584.75	+25.75	[illegible]	[illegible]	[illegible]
3 months	£594.75	[illegible]	[illegible]	[illegible]	[illegible]
Producers	$850	+30	[illegible]	[illegible]	[illegible]
GRAINS					
Barley Futures	£119.00	+1.50	[illegible]	[illegible]	[illegible]
Maize French	£142.50	[illegible]	[illegible]	[illegible]	[illegible]
WHEAT Futures	£125.55	+0.8	[illegible]	[illegible]	[illegible]
Hard Winter Wheat	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
SPICES					
Cloves	$5,850	[illegible]	[illegible]	[illegible]	[illegible]
Pepper, white	$2,775	[illegible]	[illegible]	[illegible]	[illegible]
Black	$1,875	[illegible]	[illegible]	[illegible]	[illegible]
OILS					
Coconut (Philippines)	$1005	[illegible]	[illegible]	[illegible]	[illegible]
Groundnut	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Linseed, Crude	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Palm Malayan	$650	[illegible]	[illegible]	[illegible]	[illegible]
SEEDS					
Copra (Philippines)	$645	+30	[illegible]	[illegible]	[illegible]
Soyabeans (U.S.)	$335	[illegible]	[illegible]	[illegible]	[illegible]
OTHER COMMODITIES					
Cocoa Shipment	£1,657	−9	[illegible]	[illegible]	[illegible]
Cocoa Futures Dec	£1511.5	−8	[illegible]	[illegible]	[illegible]
Coffee Futures Nov.	£1705.5	+10	[illegible]	[illegible]	[illegible]
Cotton Index	91.40c	+1.05	[illegible]	[illegible]	[illegible]
Dec. Coconut	$1,260	[illegible]	[illegible]	[illegible]	[illegible]
Gas Oil Fut. Sept.	$260.5	[illegible]	[illegible]	[illegible]	[illegible]
Jute UA BWC grade	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Rubber kilo	78.5p	−0.5	[illegible]	[illegible]	[illegible]
Sago Pearl	$277w	[illegible]	[illegible]	[illegible]	[illegible]
Seal No. 3L	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Sugar (Raw)	£165xy	−8	[illegible]	[illegible]	[illegible]
Tapioca No. 1	$312w	[illegible]	[illegible]	[illegible]	[illegible]
Tea (quality) kilo	156p	[illegible]	[illegible]	[illegible]	[illegible]
(low med.) kilo	130p	[illegible]	[illegible]	[illegible]	[illegible]
Wooltops 64s Warp	332p kilo		375p kilo	[illegible]	[illegible]

† Unquoted. (g) Madagascar. (x) Sept. (y) Oct. (u) Nov. (z) Aug-Sept. (v) Sept-Oct. (w) Oct-Nov. § Ghana cocoa.

REVIEW OF THE WEEK

Zinc market surges to nine-year high

BY OUR COMMODITIES STAFF

ZINC VALUES rose to the highest levels for nine years on the London Metal Exchange this week. Continuing the upward surge that started at the beginning of July cash zinc gained a further £25.75 to close yesterday (when trading ended early prior to the Bank Holiday) at £584.75 a tonne—a gain of some £100 during the past two months.

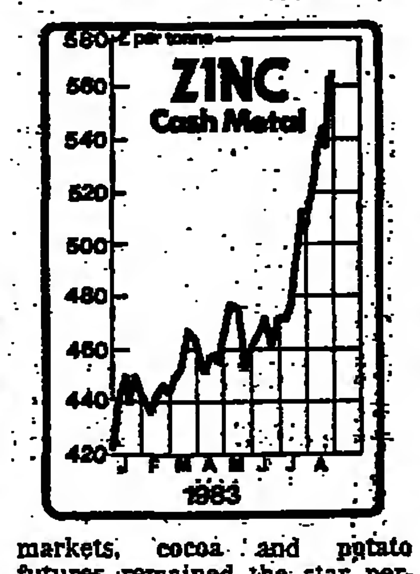
The rising trend this week was encouraged first of all by other producers deciding to follow the lead set by Preussag last week in raising its European producer quotation from $820 to $850 a tonne. Then several North American producers lifted their U.S. selling prices by 3 cents to 46 cents a pound putting pressure on for a further increase in the European quotation shortly.

Demand for zinc is reported to be strong, especially in the U.S. where the rise in car production has boosted the die-casting and galvanised steel sectors —zinc's two main outlets. However, there is some concern that the recent surge in LME values may have been too fast and furi*ous, reflecting speculative participation.*

Aluminium futures rallied this week recovering close to the record levels reached earlier this month. Aluminium's recently established premium over copper has widened, since copper ended the week barely changed after coming under further pressure. There was another hefty rise in LME warehouse stocks, and U.S. copper producers cut their domestic selling prices back to 76 cents a lb.

The market was also depressed yesterday by the decline in gold and silver, following *what was described as a technical* sell off by speculators.

On the "soft" (non-metal) markets, cocoa and potato futures remained the star performers with prices continuing to fluctuate violently.



Reports that West African cocoa crops had not suffered as much damage as previously thought unleashed heavy nervous speculative selling. The December position on the futures market dropped at one stage to £1,475 a tonne—some £250 below the four-year peaks reached earlier this month. However by yesterday it had recovered to £1,511.5 a tonne, *only £8 lower on the week.*

There was a similar pattern in London potato futures. Some rains, and a sharp decline in the Amsterdam market, forced the April position down to a low of £224 a tonne. But the return of dry weather, which is expected to continue over the holiday weekend, rallied April back last night to £256.25 a tonne.

Continuing dry conditions in the U.S., and a move by Brazil to curb its exports of soya products, boosted London soyabean meal futures again. In active trading of over 1,000 lots (of 100 tonnes each) yesterday the December position rose to £208.15 a tonne, £17.85 up on a week ago.

The London daily price for raw sugar fell this week by £8 to £165 a tonne as the market came under heavy speculative selling pressure. There was some nervousness about Brazilian selling and also whether the EEC beet crop will be as bad as feared.

F. O. Licht, West German sugar statistician, in his first forecast of 1983/84 European production, predicted it would decline to 28.1m tonnes against 31.8m tonnes in 1982/83. Licht expects EEC output to fall by *3.8m tonnes to 11m but Soviet* crop to rise from 6.8m to 7.6m tonnes.

BASE METALS

COPPER

Amalgamated Metal Trading reported that in the morning cash Higher Grade traded at £1,070, 69.5; three months £1,097, 96.5, 97, 96, 95.5, 95. Kerb: Higher Grade: Three months £1,094, 93.5, 93, 92.5. Turnover: 13,550 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grde	£	£	£	£
Cash	1069.5-70	[illegible]	[illegible]	[illegible]
3 months	1094.5-5	[illegible]	[illegible]	[illegible]
Settlem't	1070	[illegible]		
Cathodes				
Cash	1040-5	[illegible]	[illegible]	[illegible]
3 months	1065-7	[illegible]	[illegible]	[illegible]
Settlem't	1045	[illegible]		
U.S. prod.			*77-81	

TIN

Tin—Morning: Standard: Cash £8,450, 60. High Grade: Three months £8,565, 60. Kerb: Standard: Three months £8,565, 60, 70, 75, 80, 75. Turnover: 3,060 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grde	£	£	£	£
Cash	8445-50	+2.5	[illegible]	[illegible]
3 months	8555-5	[illegible]	[illegible]	[illegible]
Settlem't	8450	[illegible]		
Standard				
Cash	8445-50	[illegible]	[illegible]	[illegible]
3 months	8560-1	[illegible]	[illegible]	[illegible]
Settlem't	8450	[illegible]		
Straits E	$29.95	[illegible]		
New York				

LEAD

Lead—Morning: Three months £274, 73.5, 73.25. Kerb: Three months £273.5, 74. Turnover 4,800 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Cash	263.5-.75	+.75	[illegible]	[illegible]
3 months	273.25-.5	[illegible]	[illegible]	[illegible]
Settlem't	263.75	[illegible]		
U.S. Spot			*19-24	

ZINC

Zinc—Morning: Cash £585, three months £578, 78.5, 79, 78.5, 79.75, 80. Kerb: Three months £579.5, 80, 81. Turnover: 5,350 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Cash	564.5-5.5	[illegible]	[illegible]	[illegible]
3 months	579.5-80	[illegible]	[illegible]	[illegible]
Settlem't	565	[illegible]		
Primw'st			*43-.75	

ALUMINIUM

Aluminium—Morning: Three months £1,114, 15. Kerb: Three months £1,116, 17, 18, 19, 20, 19. Turnover: 4,550 tonnes.

NICKEL

Nickel — Morning: Three months £3,360, 63, 65, 63, 62, 63, 65. Kerb: Three months £3,365, 50, 55, 60, 50. Turnover: 1,140 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unofficial	+ or —†
Spot	3263-4	[illegible]	[illegible]	[illegible]
3 months	3375-7	−18.5	[illegible]	[illegible]

* Cents per pound. ‡ MS per kilo. † On previous unofficial close.

SILVER

LME—Turnover 39 (188) lots of 10,000 ozs. Morning: Three months 831.5, 31. Kerb: Three months 831, 32. Afternoon: untraded.

SILVER per troy oz	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	810.20p	−17.6	812p	−14
3 months	834.75p	−18.6	831.25p	−14
6 months	859.50p	−18.9		
12months	909.60p	−19.5		

Silver was fixed 17p an ounce lower for spot delivery on the London bullion market yesterday at 810.20p. U.S. cents equivalents of the fixing levels were: spot $12.21, down 29.7c; three-month $12.508, down 29.8c; six-month $12.84, down 29.5c; and 12-month $13.478, down 30.1c. The metal opened at 815-819p ($12.22-$12.25) and closed at 808-811p ($12.14-$12.17).

COCOA

COCOA	Yesterday's Close	+ or —	Business Done
	£ per tonne		
Sept	1476-77	+1.0	1491-65
Dec	1511-12	+1.5	1524-90
March	1521-22	+4.5	1530-00
May	1528-35	[illegible]	[illegible]
July	1533-40	[illegible]	[illegible]
Sept	1540-50	[illegible]	[illegible]
Dec	1545-46	+1.0	1554-30

Sales: 4,726 (5,538) lots of 10 tonnes. ICCO—Indicator prices (U.S. cents per pound). Daily price for Aug. 26: 100.15 (99.33); five-day average for Aug 26: 100.61 (100.31).

COFFEE

COFFEE	Yest'day's Close	+ or —	Business Done
Sept	1730-31	+4.0	1734-25
Nov	1705-10	+10.0	1715-00
January	1691-95	+2.5	1694-85
March	1650-53	+2.5	1655-00
May	1623-25	+6.5	1624-20
July	1600-04	+6.5	1605
Sept	1588-90	+4.5	1590-88

Sales: 1,687 (3,141) lots of 5 tonnes. ICO indicator prices (U.S. cents per pound) for August 25: Comp. daily 1979 127.01 (127.29); 15-day average 125.04 (124.79).

GRAINS

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No. 1 14 per cent Sept 133.75, Oct 134.80, Nov 138.25 transhipment East Coast sellers. English feed fob Sept 125, Oct 126.75, Oct-Dec 128.75, Jan-March 135 East Coast sellers. Maize: French first half Sept 143.50 transhipment East Coast seller. Barley: English feed fob Jan-March 128.25 East Coast seller. Rest unquoted.

Business done—Wheat: Sept 122.70-3.65, Nov 125.95-5.35, Jan 128.75-8.35, March 131.80-1.30, May 134.75-4.20, July 137.80-7.50. Sales: 205 lots of 100 tonnes. Barley: Sept 116.10-5.80, Nov 119.50-8.70, Jan 123.20-2.30, March 125.90-5.15, May 128.45-7.60. Sales: 444 lots of 100 tonnes.

WHEAT			BARLEY	
Mnth	Yesterday's close	+ or —	Yesterday's close	+ or —
Sept	123.50	−0.15	116.10	−0.10
Nov	125.65	−0.20	119.00	−0.20
Jan	128.50	−0.25	122.40	−0.30
Mar	131.30	−0.30	125.00	−0.30
May	134.20	−0.35	127.70	−0.35
July	136.95	−0.25	—	—

Wheat drifted in light trading to reach 50p down but opearbys found support late in the day. Barley traded ... reached 35p up on shipper buying but heavy hedge selling depressed the value to 50p down before it recovered on the close, reports Muirpack.

POTATOES

The market was again firmer with a dry, hot weekend in prospect, reports Coley and Harper. Turnover: 1,450 (1,181) lots of 40 tonnes.

Month	Yesterday's close	Previous close	Business Done
	£ per tonne		
Nov	176.50	169.00	176.00
Feb	212.50	200.00	211.00-05.0
April	256.25	240.60	258.00-40.0
May	266.50	255.00	268.00-58.0
Nov	90.00	91.50	—

RUBBER

The physical market opened about unchanged, attracted little interest throughout the day closing steady. Lewis and Peat reported a Malaysian fob price for No. 1 RSS in Kuala Lumpur of 265.0 (265.5) cents a kg and SMR 20 227.5 (228.5).

No. 1 R.S.S.	Yest'day's close	Previous close	Business Done
	£ per tonne		
Oct	786-800	780-800	—
Nov	783-795	775-800	—
Oct-Dec	784-785	780-783	785-780
Jan-Mch	805-807	804-805	810-805
Apl-Jne	825-826	825-828	828-825
Jly-Sept	844-845	848-844	848-845
Oct-Dec	862-866	861-863	—
Jan-Mch	881-886	880-885	—
Apl-Jne	899-903	899-903	—

Sales: 22 (96) lots of 15 tonnes, nil (nil) lots of 5 tonnes. Physical closing prices (buyers) ...

INDICES

FINANCIAL TIMES

Aug. 25	Aug. 24	M'th ago	Y'ar ago
293.10	291.58	288.26	237.00

(Base: July 1 1952=100)

REUTERS

Aug. 26	Aug. 25	M'th ago	Y'ar ago
1911.6	1913.3	1899.7	1539.1

(Base: September 18 1931=100)

MOODY'S

Aug. 25	Aug. 24	M'th ago	Y'ar ago
1091.0	1090.9	1074.6	1014.6

(December 31 1931=100)

DOW JONES

Dow Jones	Aug. 25	Aug. 24	Month ago	Year ago
Spot	147.65	145.05	143.08	113.88
Fut.	[illegible]	[illegible]	[illegible]	[illegible]

(Base: December 31 1974=100)

SOYABEAN MEAL

The market opened 50p higher in quiet trade, reports T. G. Roddick. Prices firmed on trade buying before easing on profit-taking but commission house buying reversed the decline. Sales: 1,093 (447) lots of 100 tonnes.

	Yesterday's close	+ or —	Business Done
	£ per tonne		
October	195.00-96.00	+2.85	198.50-94.50
December	208.00-08.50	+2.65	209.50-05.00
February	205.50-10.00	+3.00	211.00-08.00
April	210.50-11.00	+2.75	211.00-08.00
June	[illegible]	[illegible]	[illegible]
August	[illegible]	[illegible]	[illegible]
October	185.00-90.00	[illegible]	[illegible]

SUGAR

LONDON DAILY PRICE—Raw sugar £165.00 (£168.00) a tonne for Aug-Sept shipment. White sugar $183.00 (same).

No. 4 Con-tract	Yesterday's close	Previous close	Business done
	£ per tonne		
Oct	174.25-74.50	177.75	178.00-72.50
Dec	182.00-84.00	185.00-85.50	185.25-82.50
Mar	195.00-95.25	199.00-99.25	199.25-94.75
May	199.00-99.50	203.00-03.25	202.75-99.00
Aug	[illegible]	[illegible]	[illegible]
Oct	[illegible]	[illegible]	[illegible]
Dec	[illegible]	[illegible]	[illegible]

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean port). Prices for Aug 25: Daily price 10.47 (10.05); 15-day average 10.52 (10.59).

Sales: 3,695 (5,334) lots of 50 tonnes. Tate and Lyle delivery price for granulated basis white sugar was £405.50 (same) a tonne for home trade and £226.00 (£230.00) for export.

LONDON OIL SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.85-28.90	+0.02
Iranian Light	28.15-28.20	+0.02
Arabian Heavy	26.70	+0.05
North Sea (Forties)	30.80-30.95	+0.10
North Sea (Brent)	31.00	+0.10
African (Bonny Lt'nt)	31.05-31.10	+0.07
PRODUCTS—North West Europe CIF ($ per tonne)		
Premium gasoline	310-313	−1.5
Gas oil	256-260	−0.5
Heavy fuel oil	171-174	−1.0

GAS OIL FUTURES

The market opened about $1.50-2.00 higher, following strength in the crude market overflowing into heating oil. Prices drifted lower as interest declined in advance of the long weekend, rallying in light volume during the afternoon but remaining in a narrow range, reports Premier Man.

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per tonne		
Aug	260.50	+1.50	261.75-57.50
Sept	260.50	+1.25	261.50-58.75
Oct	263.75	+1.00	264.50-61.75
Nov	267.00	+1.00	267.50-65.50
Dec	269.50	+0.50	270.00-68.00
Jan	271.00	+0.25	271.00-69.25
Feb	265.00	+0.25	—
Mar	262.00	—	—
April	261.00	—	—

Turnover: 1,648 (2,865) lots of 100 tonnes.

GOLD MARKETS

Gold fell $5¼ from Thursday's close in the London bullion market yesterday to finish at $417¾-$418¼ per ounce. The metal opened at $419-$419¼ and traded between a high of $419¾-$420¼ and a low of $416½-$417.

LONDON FUTURES

Month	Yest'rday's close	+ or —	Business Done
	$ per troy ounce		
Sept	418.00-20.00	−4.250	[illegible]
Oct	421.00-22.50	[illegible]	[illegible]
Nov	425.00-26.00	[illegible]	[illegible]
Dec	429.00-30.00	[illegible]	[illegible]
Jan	433.00-35.00	[illegible]	[illegible]
Feb	435.50-37.00	[illegible]	[illegible]
Mar	440.00-42.00	[illegible]	[illegible]

Turnover: 330 (541) lots of 100 troy ounces.

Aug 26			Aug 25	
Gold Bullion (fine ounce)				
Close	$417¾-418¼	(£278¼-279)	$423½-424	(£280¼-281)
Opening	$419-419¼	(£279¼-280)	$422-422½	(£278-279¼)
Morning fixing	$419.25	(£279.600)	$422.25	(£279.841)
Afternoon fixing	$417	(£278.000)	$422.30	(£280.004)
Gold Coins Aug 26				
Krugrnd	$432-433¼	(£288-288½)	King Sov	$100½-102 (£67-68)
½ Krug	$221¾-223¼	(£147½-148¼)	Victoria Sov	$100¼-102 (£67-68)
¼ Krug	$113-114	(£75¼-76)	French 20s	$84-86 (£56-57)
1/10 Krug	$46-47	(£30½-31¼)	50 pesos Mex	$510¼-513 (£340-342)
Mapleleaf	$431-432	(£287-288)	100 Cor. Aust	$409-412 (£272-274)
New Sov.	$98-99	(£65½-66)	$20 Eagles	$560-580 (£373-386)

AMERICAN MARKETS

NEW YORK, August 26.

Gold and silver reversed early losses in response to forecasts for a decline in the money supply along with the belief that Thursday's decline was overdone. Copper rallied in sympathy with precious metals. Sugar came under pressure as technical selling developed once values reached below recent lows. Cocoa recouped early losses as the lack of producer selling along with continued dry weather in the Ivory Coast encouraged short-covering and new buying interest. Coffee came under light selling pressure from profit-taking ahead of the weekend. Cotton maintained a firm tone as concern over crop prospects continued to support bullish sentiment. Heating oil was featureless on lack of fresh news discouraging trading interest. The grain and soyabean complex maintained a firm tone on good commission and professional buying rumoured to be linked to purchases by the Soviets, reports Heinold Commodities.

NEW YORK

COCOA 10 tonnes, $/tonnes

	Latest	High	Low	Prev
Sept	2083	2111	2045	2086
Dec	2138	2149	2074	2121
Mar	2150	2166	2095	2140
May	2155	2165	2130	2164
July	2156	2155	2135	2178
Sept	2200	—	—	2189
Dec	2180	2180	2180	2214

COFFEE "C" 37,000 lb; cents/lb

	Close	High	Low	Prev
Sept	132.38	132.60	132.10	132.95
Dec	129.38	130.00	129.60	130.03
March	127.32	128.00	127.30	127.53
May	125.65	125.75	125.25	125.80
July	123.55	—	—	123.60
Sept	121.51	—	—	121.40
Dec	120.53	121.00	121.00	120.25

COPPER 25,000 lb; cents/lb

	Close	High	Low	Prev
August	72.55	—	—	72.15
Sept	72.80	72.70	71.65	72.25
Oct	73.00	—	—	73.00
Dec	74.90	75.00	74.10	74.50
Jan	75.45	75.40	75.15	75.00
March	77.10	77.25	76.40	76.75
May	78.65	78.80	78.40	78.30
July	80.00	80.20	79.55	79.75
Sept	81.60	81.60	80.90	81.25
Dec	83.75	83.70	83.20	83.40

COTTON 50,000 lb; cents/lb

	Close	High	Low	Prev
Oct	80.25	80.30	79.25	79.65
Dec	81.75	81.80	80.42	80.92
March	82.60	82.60	81.59	81.85
May	82.80	83.00	82.25	82.30
July	83.00	83.00	82.30	82.30
Oct	77.75	77.75	77.30	77.20

GOLD 100 troy oz; $/troy oz

	Close	High	Low	Prev
August	419.6	420.0	416.4	417.5
Sept	419.9	417.0	416.5	418.4
Oct	423.5	424.0	420.0	421.4
Dec	430.6	431.4	427.2	427.9
Feb	437.7	438.5	434.5	434.8
April	445.1	446.0	442.5	442.0
June	452.4	453.0	449.8	449.3
Aug	459.8	460.2	455.2	456.7
Oct	467.2	470.0	470.0	464.2
Dec	471.7	470.0	470.0	469.1
Feb	479.7	477.5	476.0	477.2
April	487.1	486.0	487.0	484.9
June	497.1	—	—	496.0
Dec	506.0	—	—	503.8

HEATING OIL 42,000 U.S. gallons, cents/U.S. gallons

	Latest	High	Low	Prev
Sept	83.00	84.30	82.95	84.90
Oct	86.25	86.40	85.00	86.20
Nov	87.05	87.20	86.75	86.95
Dec	87.70	87.75	87.40	87.65
Jan	88.10	88.10	87.40	88.20
Feb	86.75	87.00	86.65	86.86
Mar	85.20	85.55	85.15	85.70

PLATINUM 50 troy oz; $/troy oz

	Close	High	Low	Prev
August	435.0	—	—	432.5
Sept	439.9	—	—	433.5
Oct	443.3	444.0	436.5	437.0
Jan	450.8	452.0	444.8	444.5
April	458.3	454.0	452.5	452.0
July	466.8	460.5	460.0	460.5

CHICAGO

PORK BELLIES 38,000 lb; cents/lb

	Close	High	Low	Prev
Feb	65.37	66.35	65.32	66.42
Mar	65.27	66.20	65.25	66.17
May	66.90	67.00	66.90	67.70
July	66.77	66.85	66.70	67.60
Aug	64.10	65.75	64.10	64.32

LIVE HOGS 30,000 lb; cents/lb

	Close	High	Low	Prev
Oct	42.87	43.50	42.82	43.40
Dec	43.25	44.40	43.12	44.17
Feb	47.42	48.15	47.30	48.25
April	46.37	46.95	46.35	46.95
June	54.12	54.50	54.00	54.37
July	54.50	55.25	54.37	54.82
Aug	53.20	53.95	53.20	53.62
Oct	51.50	52.00	51.50	51.60
Dec	53.00	53.50	53.00	53.60

MAIZE 5,000 bu min; cents/56 lb-bushel

	Close	High	Low	Prev
Sept	350.0	361.0	352.0	356.6
Dec	357.2	358.0	359.0	362.2
March	377.2	377.2	368.4	372.2
May	381.2	383.2	376.2	377.2
July	380.2	382.0	373.0	376.2
Sept	350.0	352.0	347.0	350.0
Dec	333.0	337.4	318.4	329.2

LIVE CATTLE 40,000 lb; cents/lb

	Close	High	Low	Prev
Oct	57.70	58.12	57.62	57.77
Dec	59.25	59.67	58.75	58.17
Feb	60.52	60.85	60.20	60.65
April	62.25	62.60	62.25	62.57
June	64.42	64.85	64.40	64.80
Aug	63.45	63.50	63.25	63.50

SOYABEAN OIL 60,000 lb; cents/lb

	Close	High	Low	Prev
Sept	35.60	35.60	35.20	34.80
Oct	35.40	35.52	32.75	34.03
Dec	34.55	34.70	33.90	33.65
Jan	34.40	34.65	33.70	33.22
March	33.80	34.15	33.10	32.50
May	32.40	32.95	31.20	32.00
July	30.00	31.00	29.00	31.00
Aug	[illegible]	[illegible]	[illegible]	[illegible]
Sept	27.00	27.05	27.10	27.75

SOYABEAN MEAL 100 tons; $/ton

	Close	High	Low	Prev
Sept	255.0	255.0	251.0	256.2
Oct	255.5	256.0	251.0	256.8
Dec	257.5	261.0	257.5	257.5
Jan	256.8	256.0	251.0	257.5
March	257.5	261.0	257.0	257.5
May	254.0	255.0	250.0	254.5
July	248.0	249.8	245.0	248.0
Aug	242.0	245.0	238.0	240.0
Sept	238.0	240.0	234.0	235.5

SILVER 5,000 troy oz; cents/troy oz

	Close	High	Low	Prev
Aug	1224.0	—	—	1210.0
Sept	1225.0	1228.0	—	1212.0
Oct	1238.0	—	—	1224.0
Dec	1256.0	1259.0	1233.0	1240.0
Jan	1269.2	1261.0	1250.0	1256.2
March	1289.6	1285.0	1280.0	1275.8
May	1310.0	1305.0	1295.0	1298.2
July	1334.0	1312.0	1307.0	1321.7
Sept	1348.5	1324.0	1314.0	1323.0
Dec	1378.0	1365.0	1346.0	1346.0
Jan	1392.7	1396.0	1385.0	1379.7

SOYABEANS 5,000 bu min; cents/60 lb-bushel

	Close	High	Low	Prev
Sept	932.0	937.0	906.0	931.0
Nov	946.0	951.0	916.0	943.6
Jan	960.0	965.0	925.0	957.0
March	967.0	967.0	932.0	961.4
May	963.0	964.0	929.0	957.1
July	960.0	960.0	925.0	957.0
Aug	925.0	940.0	908.0	938.0
Sept	900.0	900.0	890.0	892.0
Nov	845.0	845.0	820.0	837.2

SUGAR WORLD "11" 112,000 lb; cents/lb

	Close	High	Low	Prev
Oct	10.00	10.16	9.80	10.08
Jan	10.37	10.66	10.28	10.88
March	11.85	12.35	11.68	12.45
May	12.25	12.45	12.18	12.85
July	12.50	12.75	12.23	12.62
Sept	12.90	12.90	12.60	12.75
Oct	12.95	12.85	12.82	12.90
Jan	12.90	12.90	12.55	12.90

WHEAT 5,000 bu min; cents/60 lb-bushel

	Close	High	Low	Prev
Sept	375.2	387.4	382.0	387.4
Dec	398.2	398.0	393.0	398.0
March	409.0	409.0	405.0	409.2
May	425.0	425.0	417.0	422.6
July	424.0	425.0	412.0	418.0
Sept	426.0	426.0	420.0	422.6

SPOT PRICES—Chicago loose lard 26.00 (27.00) cents per pound. New York tin 602.0-599.0 (587.0-595.0) cents per pound.

WOOL FUTURES

LONDON NEW ZEALAND CROSS-BREDS—Close (in order: buyer, seller, business). New Zealand cents per kg: Oct 413, 421, 420-417; Dec 419, 422, 420-417; Jan 419, 423, 420-417; March 429, 432, 430-428; May 437, 440, 438, 435; Aug 449, 453, 452-449; Oct 454, 458, 453; Dec 456, 460, 458; Jan 460, 465, 459. Sales: 87.

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg. Oct 561.0, 563.0, 562.0-561.5; Dec 573.0, 574.5-573.0; March 592.0, 593.0, 593.0-592.5; May 603.0, 605.0, untraded; July 618.0, 620.0, 618.0; Oct 610.0, 615.0, untraded; Dec 618.0, 621.0, 621.0. Sales: 101.

STOCK EXCHANGE DEALINGS

Details of business done shown below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

Details relate to those securities not included in the FT Share Information Service.

Unless otherwise indicated, denominations are 25p and prices are in pence. The prices are those at which the business was done in the 24 hours up to 3.30 pm on Thursday and settled through the Stock Exchange Talisman system; they are not in order of execution but in ascending order which denotes the day's highest and lowest dealing prices.

For those securities in which no business was recorded in Thursday's Official List, the latest recorded business in the four previous days is given with the relevant date.

‡ Bargains at special prices. ⊕ Bargains done the previous day. Δ Bargains done with non-member or executed in overseas markets.

CORPORATION & COUNTY

[illegible]

UK PUBLIC BOARDS

[illegible]

COMMONWEALTH GOVT.

[illegible]

FOREIGN STOCKS

(coupons payable London)

[illegible]

CORPORATIONS—FOREIGN

[illegible]

BANKS, DISCOUNT

[illegible]

BREWERIES

[illegible]

COMMERCIAL, INDUSTRIAL

[illegible]

C—D

[illegible]

E—F

[illegible]

G—H

[illegible]

I—J—K

[illegible]

L—M

[illegible]

N—O—P

[illegible]

Q—R—S

Reed Publishing Hldgs 4pcPf (£1) 31 (24/8). 8pcPf (£1) 63 (24/8). 3½pcDb 1983-88 £71. 6½pcDb 1983-88 £82. 8pcDb 1992-96 £73½ (19/8). 4½pcLn 2004-09 £35. 7¾pcLn 1987-92 £73½ (22/8). 9pcLn 1999-2004 £72 3½ 4
Relyon Gp 7½pcLn 1986-91 £74
Renold 6pcPf (£1) 22. 7¾pc2ndDb 1992-1997 £59 (22/8)
Rexmore 13pc(Net)CnvPf(91/92) (£1) 125 (23/8)
Rivoli Cinemas (50p) £14
Robertson Foods 5.5pcPf (£1) 68 (23/8)
Rockware Gp 6½pcPf (£1) 44 (19/8). 7pcDb 1988-93 £71½⊕. 8pcLn 1995-99 £59 (22/8)
Ropner 11½pcPf (£1) 125 (24/8)
Rowntree Mackintosh 6pc1stPf (£1) 50⊕.

[illegible]

T—U—V

[illegible]

W—Y—Z

[illegible]

FINANCIAL TRUSTS

[illegible]

INSURANCE

[illegible]

INVESTMENT TRUSTS

Danae Invest Wts to Subscribe 8 (23/8)
Discount Invest (5h0.5) 2 (23/8)
Drayton Con 3.5pcPf £48 ½ (23/8). 5pc Pf £46½ (24/8). 5¼pcDb 1983-88 £79 (23/8)
Drayton Japan 4pcPf £36½ 7 (23/8)
Drayton Premier 5pcPf £46½ (24/8). 4¼pcDb £34½ (22/8). 7½pcLn 1993 £170 (24/8)
Dundee London Invest 5pcPf £56 (23/8)
Edinburgh Invest Warrants to sub for Ord 30 1. 3.65pcPf £46 (23/8). 3pc Db £25½ (22/8). 6¼pcDb 1990-95 £69½ (24/8). 5pcDb £43½ (24/8)
English Int 5½pcPf (£1) 48 ½ (24/8)
English New York 5½pcDb 1987 £83¼
English Scottish 5pcPf £43. 5pcDb 1982-1989 72 3 (19/8)
First Scottish American 3½pcPf £46½

[illegible]

London and Scottish Marine 9½pcPf (£1) 31
Petroleos Mexicanos 14½pcLn 2006 £ (25/8)
Shell Transport and Trading 5½pc1stPf (£1) 51 (24/8). 7pc2ndPf (£1) 64½

PROPERTY

Alliance Property Hldgs 9½pcDb 1992-97 £62½⊕
Allied London Properties 10pcPf (£1) 113 (24/8)
Argyle Secs 10½pcDb 1992-97 £79 (24/8). 12pcDb 1993-98 £94½
Atlantic Met (UF) 12pcLn 1991-97 £ (24/8)
Barranquilla Invest 7¼pc1stDb 1986-91

[illegible]

PLANTATIONS

[illegible]

UNIT TRUSTS

[illegible]

MINES—MISCELLANEOUS

[illegible]

RAILWAYS

[illegible]

SHIPPING

[illegible]

MINES—SOUTH AFRICAN

[illegible]

UTILITIES

[illegible]

OIL

[illegible]

WATERWORKS

[illegible]

UNLISTED SECURITIES MARKET

[illegible]

RULE 163 (4) (a)

Bargains marked in securities where principal market is outside the UK and Republic of Ireland. Quotation has not been granted in London and dealings are not recorded in the Official List.

ACI Intnl 90
Aberfoyle 520 5 (23/8)
Acmex Hldgs 42
Acorn Secs 72 (24/8)
Aetna Life and Casualty US$36½ (19/8)
Agnico-Eagle Mines £10¼
Allflex Hldgs 2180 18 (19/8)
Alliance Oil Development 54
Allstate Explns 32
Amatil 152 (23/8)
Am Cyanamid £35 (23/8)

[illegible]

Fraser and Neave 300 (19/8)
Gem Expln and Minerals 240 (22/8)
General Oriental 512 13 15 16
Genoa Oil 92
Geometals 270 8½ (23/8)
Gold Mines of Kalgoorlie 670
Great Eastern Mines 17
Greenbushes Tin 90 (24/8)
Greenvale Mining (A$0.20) 19 (22/8)
Greenwich Resources 145
Gulfstream Resources 70
Hadma North West 28 ½
Hartogen Energy 178⊕ 70
Hawk Invs 29½⊕
Heinz (H.J.) £28¾⊕ (23/8)
Hemokinetics Inc 24 (24/8)
Hewlett-Packard £52 (24/8)
Highwood Resources 180
Hill 50 Gold Mines 320 (22/8)
Hill Minerals 52 5
Hitachi 231 3 (23/8)
Hong Kong Land 31½⊕ 2½ 3 ½
Hooker Corp 75⊕
Hospital Corp of America £27½ US$43 (24/8)
Humana Inc £20½⊕ 1
Husky Oil 580 (24/8)
Hutchison Whampoa 113 (24/8)
ICI Australia 113⊕ (19/8)
Imperial Oil A £20¾
Indian Ocean Resources (1982) 77
Inland Natural Gas 500 (23/8)
Int Harvester 537½⊕ (23/8)
Int Mining 15
Int Petroleums 212
Jardine Matheson 116
Jardine Matheson Finance Warrants 12
Jardine Matheson Finance 9½pcLn 1984-95 £51½
Jardine Secs 84 (19/8)
Jennings Industries 102 (24/8)
Jingellic Minerals 74 (24/8)
Kalbara Mining 25 (23/8)
Key West Expln 18½⊕
Kia-Ora Gold 14 ¼
Killinghall Tin (Malaysia) Berhad 325 (23/8)

[illegible]

RULE 163 (2)

Applications granted for specific bargains in securities not listed on any Stock Exchange.

[illegible]

Authorised Units—continued

[illegible]

Offshore and Overseas—continued

[illegible]

Insurances—continued

[illegible]

STOCK EXCHANGE DEALINGS

—continued

Pancontinental Petroleum Options 30/6/85 10
Pan Pacific Petroleum 7 (25/8)
Paradyne Corp 962½
Peko-Wallsend 448
Pelsart Resources 6¼
Penney (J.C.) £36¼ (22/8)
Perkin-Elmer £22½
Petroleum Securities Aust 325 (22/8)
Phelps Dodge £15 (22/8)
Philip Morris Inc £36 (24/8)
Pico Electric Products A 130 (24/8)
Pioneer Concrete Services 95
Placer Development £14½ 14 (23/8)
Poseidon 3 6 130 11 12 13 15 (24/8)
Procter and Gamble £33¼ (23/8)
Raytheon £32.15 (24/8)
Reef Oil 100 (24/8)
Rembrandt Grp US$20.55
Renison Goldfields Ord 274 80 (23/8)
Renison Goldfields Dfd 265 (22/8)
Rennies-Cons Hldgs 820 30 (24/8)
Resource Service Grp 215 (23/8)
Rowan 962½ (23/8)
Roxex Sturgex Mining 465 55
S and K Petroleum 90
Sabina Industries 145 35 40 (24/8)
Samantha Expln 78 80 1 2
Simson Expln 54 1
Santos 455 6
Sasol 259
Sceptre Resources 370
Sceptre Resources 230 5
Security Tag Systems 555; 6¼; 70 80
Selangor Coconuts 120

West Coast Transmission 675 (24/8)
Western Coal and Uranium 4 (24/8)
Western Continental Corp 10
Westfield Minerals 127 (24/8)
Wexford Petroleum 33 (24/8)
Westinghouse Electric £28½ (19/8)
Westmex 9 (19/8)
Wheelock Marden A 27½ 9
Wheelock Marden B 1¾
Wolm Creek 175 8 80
Windsor Resources 27½ 99 ½ 300 ½
28½ ¾ 9 ¼ ⅜ ½
Woodside Petroleum 77 45
Woolworth (F.W.) of America £23 (24/8)
Woolworths (A$0.50) 132 (19/8)
World Intnl (Hldgs) 14½ (22/8)
York Resources 20½ 1 2
Zone Petroleum 220 (23/8)

RULE 163 (3)

Dealings for approved companies engaged solely in mineral exploration.

Kenmare Oil (Ir£0.25) 6 ½
Pennine Resources 34 6 7
Caledonian Offshore Apcln 2000 (£35pc Pd) £23pc 3pc 3pc (24/8)
Energy Sources (N/I) (10p) 6 7 (19/8)

(By permission of the Stock Exchange Council)

RESULTS AND ACCOUNTS IN BRIEF

DAVY CORPORATION (engineering group)—Results for year to March 31 1983 and prospects already known. Group shareholders' interest £74.84m (£87.16m). Fixed assets £82.42m (£83.53m). Net current assets £20.11m (£31.78m). Decrease in cash resources £24.37m (£3.36m increase). Increase in net working capital £4.14m (£2.07m decrease). Ex-gratia payments to former directors £80,000 (£46,000). Meeting, Cavendish Conference Centre, W., October 5, noon.

VICTORIA CARPET HOLDINGS (carpet manufacturer)—Results for the year to the end of March 1983 already known. Shareholders' funds £5.13m (£5.3m). Fixed assets £2.92m (£2.86m). Net current assets £2.28m (£2.46m). Net decrease in liquid funds £211,813 (£277,485). Chairman says prospects for the current year are reasonably good in the UK, but export markets are less buoyant which makes profits difficult to earn in the Axminster department. The company is a close company. Meeting: Kidderminster, September 15 at 3 pm.

BAY & ROBERTSON (textile manufacturer)—Results for the year to May 31 1983. Turnover £181,827 against £195,116 and loss before tax of £57,835 compares with £102,067. No tax (credit £8,065).

Stanbic increases Liberty Life share stake

BY OUR JOHANNESBURG CORRESPONDENT

STANBIC, the South African subsidiary of Standard Chartered Bank of the UK is paying R24.2m ($21.8m) and issuing *6.7m ordinary shares in order* to increase its holding in Liberty Life Assurance, South Africa's third largest insurance company.

Through the deal Stanbic will be doubling its 25 per cent stake in the unquoted parent of the Liberty group, Liberty Controlling. This holds a 52 per cent stake in Liberty Holdings which in turn has an 81 per cent stake in Liberty Life.

The terms of the arrangement are that Stanbic is to acquire its additional 25 per cent of Liberty Controlling from two private companies, DGI and Annexe. These hold the personal and *family interests of Liberty* Life's chairman Mr Donald Gordon and its managing director Mr Michael Rapp.

DGI and Annexe will be left with 50 per cent of Liberty Controlling and Stanbic will have the other 50 per cent. In exchange Stanbic is to pay DGI and Annexe R24.2m in cash and issue 6.7m new ordinary shares in itself at an effective price of R9 each to the two private companies.

At present Stanbic has 612m shares issued. Of these 58.1 per cent are owned by Standard Chartered. Once the deal is completed—the effective date is July 1 1983—Standard Chartered *will own 52.4 per cent of* the enlarged Stanbic.

At present Liberty Life owns 1.2m ordinary Stanbic shares, equivalent to 3.2 per cent of Stanbic's pre-acquisition ordinary capital. After the deal, Liberty Life and its controlling companies will have 13.1 per cent of the enlarged Stanbic.

The other major shareholder in Stanbic is Liberty Life's main *rival, the Old Mutual, which is* South Africa's largest insurance company and which owns 19.8 per cent of the old Stanbic.

Stanbic and the Liberty group say that the strengthening of their existing association will facilitate the establishment *of a broader financial services* company group with the capability of covering all aspects of banking, investment and insurance business.

More prosaically the move is seen as a further strengthening of one of the six emerging financial groupings in whose hands ownership of a large part of industrial South Africa is falling. The Liberty group and its *Mr Donald Gordon* played crucial roles recently when the Premier Group, which is one of South Africa's largest food companies, was bought from Associated British Foods and control of South African Breweries was acquired by Premier.

At the time *this* was seen by many Johannesburg analysts as a preliminary step to bringing Liberty closer to the Anglo-American group with the eventual aim of linking Liberty Life and Anglo American's smaller life assurance company, Anglo American Life.

On Friday Liberty Life was not traded on the Johannesburg stock exchange but the share *was quoted at R53. Liberty* Holdings which has 44.9m shares in issue, was traded at R13 and Stanbic was traded at R10.50.

Australian ICI to raise A$98.7m

By Lachlan Drummond in Sydney

ICI AUSTRALIA is to raise A$98.7m (US$87.7m) through a staged one-for-three rights issue which will require its UK parent to lay out A$61.5m.

The A$1 shares are to be issued at a 60 cent premium, with half of the commitment due in *November* and the remainder by the end of March next year. The new shares will rank for one-third of the interim dividend payable from earnings for ICI's half year to March 31 next and directors expect to maintain the annual dividend rate at 15 cents a share.

The interim payment for the period to March 31 last was unchanged at 9 cents.

The issue price compares with a recent market quote of around A$2 and a net asset backing per share of A$3.40.

The rights issue comes two months after ICI reported a collapse in profit for the half year to last March from A$17m to A$1m as one-off closure costs and economic recession bit into *results.*

The company said yesterday trading results had improved in the current half year, although it seems the annual profits will continue the falling trend evident since its record net earnings A$66.5m achieved for 1978/79. Last year's profits were A$32.7m.

ICI in May announced a A$12m debenture placement which will have added to the net A$335m of debt shown at March 31. This was supported by net shareholders' funds of A$618m and produced an interest bill of A$16.3m for the half-year.

ICI said when announcing the interim results that the final half of the current year would be assisted by Government measures on dumping and cost-cutting, including the costly cessation of certain of ICI's activities.

Olympia chief steps down

BY JOHN DAVIES IN FRANKFURT

OLYMPIA, the West German office equipment maker, faces a top management change, with the resignation of Herr Heinz Krause, who was brought in as chief executive at the beginning of 1981 to restore the fortunes of the heavily loss-making company, then fully owned by AEG-Telefunken.

Olympia is now 51 per cent owned by AEG, with the remaining shares held by the Robert Bosch electrical group and three large banks.

Herr Krause presided over a recovery programme which included job cuts and a shift in emphasis from mechanical typewriters to more advanced electronic office equipment.

AEG said yesterday that Herr Krause had asked to be released from his contract for personal reasons and the supervisory board had agreed. Dr Gerhard Lofink, the deputy chief executive, will take over the top job on January 1.

Both Olympia and Triumph-*Adler, the office equipment sub*sidiary of Volkswagen, face a difficult challenge in their fast-changing product environment, with the increasing intermeshing of office equipment and communications systems and strong competition from U.S. and Japanese companies.

Another heavy loss for Nedlloyd

ANOTHER substantial loss is forecast by Nedlloyd, the Dutch shipping company, for the remainder of this year following a deficit of Fl73m ($25m) in the six months to end-June, writes Walter Ellis in Amsterdam. First-half 1982 earnings were Fl54m. The 235 per cent decline is attributed to "less-than-expected results in the line shipping sector and the still unsatisfactory situation in bulk shipping."

Total income dropped to just over Fl2bn from Fl2.13bn, while operating profit fell to Fl54m from Fl79m—a drop of 31 per cent.

The sale of nine vessels, and the purchase of one, took the total fleet, excluding drilling rigs, down to 106 from 114. Two ships were under construction at the end of June and none was ordered.

Move to block BanCal deal

By William Hall in New York

BANCAL Tri-State, the Californian banking group in which France's Baron Edmond de Rothschild holds a 30.3 per cent stake, has run into its first legal obstacle since it agreed earlier this week to accept a $50 a share offer from Japan's Mitsubishi Bank rather than a $53 a *share bid* by Wells Fargo, a neighbouring San Francisco bank.

Mr Norman Miller of Monterey County California has amended his earlier class action suit against the company which had earlier charged that BanCal's chairman and several directors had rejected an acquisition bid without presenting it to the board.

The amended complaint charges that the company's directors and officers "wrongly improperly in breach of their obligations and in abuse of their corporate control refused to consider the more favourable *Wells Fargo offer or to solicit* other competing offers and improperly gave preliminary approval instead to the less favourable Mitsubishi offer."

The class action has been filed in the San Francisco Superior Court.

Bertelsmann in cable TV

BY OUR FRANKFURT CORRESPONDENT

BERTELSMANN, the West German media group, is taking the plunge into cable television with an application to operate a channel in the pilot project at Ludwigshafen, due to start early next year. It is having discussions with possible partners about sharing the channel and the expected losses.

Bertelsmann, which has major interests in book and magazine publishing, book clubs and records, has been preparing cautiously for some time to extend its interests into new media. It sees the Ludwigshafen project—one of four regional cable TV experiments being planned by West Germany—as a useful exercise to get practical experience.

The group has expressed interest to the Post Office ministry in joining possible future arrangements for satellite transmission of TV programmes.

Bertelsmann had sales revenue of *DM 6.2bn ($2.35bn)* in the year to June 30, with net profit up nearly 40 per cent at DM 140m. Its Gruner and Jahr subsidiary produces a number of high-circulation publications, including Brigitte, the women's magazine, and Stern.

Sweden to launch £250m credit

SWEDEN is preparing to launch a £250m six-year Eurocredit, the largest ever denominated entirely in sterling, writes **Peter Montagnon, Euromarkets Correspondent.**

The loan has been mandated to Samuel Montagu which will organise syndication on the basis of a margin of ⅛ per cent over London Eurosterling rates for the first two years, rising to ⅜ per cent for the next four. At the lenders' option the loan may be extended successively to give a total life of 12 years.

Samuel Montagu, with two other co-ordinating banks, will begin assembling a lead management group early next week. Midland Bank, Montagu's parent, is expected to take a substantial underwriting share.

AUTHORISED UNIT TRUSTS

FT UNIT TRUST INFORMATION SERVICE

Abbey Unit Tst. Mngrs. (a)
1-3 St Paul's Churchyard EC4P 4DX. 01-236 1833

Britannia Gp. of Unit Trusts Ltd. (a)(c)(g)
Salisbury House, 31, Finsbury Circus, London EC2
01-638 0478/0479 or 01-588 2777
Britannia Viewpoint, 01-673 0048

UK Specialist Funds				
Assets	158.4	170.8	+0.7	3.32
Recovery	60.8	65.5	+0.4	2.92
Smaller Cos	88.9	95.6	+0.2	1.75
Spec. Mkt. Sits.	74.8	80.6	+0.4	1.47
UK Blue Chip	57.3	55.5	+0.2	3.15

Duncan Lawrie Fnd. Mgrs. (g)
1, Hobart Place, London SW1W 0HU. 01-245 9321

Henderson Administration (a) (b) (c)
Premier UT Admin, 5 Rayleigh Rd, Hutton, Brentwd.

Lloyd's Life Unit Tst. Mngrs. Ltd.
2, St Mary Axe, EC3A 8BP. 01-920 0311

National Westminster (a)
161, Cheapside, EC2V 6EU. 01-726 1999

Save & Prosper—continued

Overseas Funds & Sector Funds				
Europe (z)	146.0	157.1	-0.6	0.97
Japan (z)	188.5	202.8	+0.9	0.22
Japan Smlr. Co's (z)	47.2	51.0	+0.3	0.00
S.E. Asia (z)	79.7	85.7	+0.6	1.19
U.S. (z)	222.3	239.2	+0.6	0.47
Commodity	175.8	189.2	+0.5	1.89
Energy	153.4	165.1	+1.8	1.98
Exploration Fund (z)	40.3	43.3	+0.2	0.25
Financial Secs.	139.1	149.7	+0.6	2.75

Tyndall Managers Ltd.(a)(b)(c)
18, Canynge Road, Bristol. 0272 732241

Australian Securities	68.1	73.3	-0.2	1.47
(Accum. Units)	68.6	73.8	-0.1	1.47
Capital	216.0	231.2	+0.8	3.31
(Accum. Units)	354.8	379.8	+1.6	3.31
Exempt	177.6	191.0	+1.6	7.12
(Accum. Units)	350.4	376.8	+1.8	7.12
Far Eastern	111.0	119.4	+0.1	1.53
(Accum. Units)	115.1	123.8	+0.1	1.53
Fin & Prop.	29.8	32.1		3.49

INSURANCES

MARKET REPORT

Equities regain confidence after mid-week collapse

Gilts quiet and unwilling to respond either way

Account Dealing Dates
Option

*First Dealings	Declarations	Last Dealings	Account Day
Aug 15	Sept 1	Sept 2	Sept 12
Sept 5	Sept 15	Sept 16	Sept 26
Sept 19	Sept 29	Sept 30	Oct 10

* "New-time" dealings may take place from 9.30 am two business days earlier.

A typical pre-holiday session was yesterday additionally influenced by the fact it coincided with the end of the second leg of a long three-week trading Account on the London Stock Exchange. Investment interest, which seasonally falls to a low level in August, was particularly slow yesterday with business concentrated on Irish Sea Oil stocks and a range of situation issues.

The former, markedly depressed earlier in the week on sustained liquidation, part of which appeared to be forced through Account settlement delays or problems, extended Tuesday's sharp recovery.

Leading shares meanwhile edged forward in a market attempting to regain composure after suddenly losing confidence last Tuesday and Wednesday. Over those two sessions, the FT Industrial Ordinary share index dropped over 25 points from Monday's record high.

A TV programme hinting at Government overspending and the possibility of increased personal taxes as a result, unfounded reports of sizeable overseas profit-taking in recently buoyant U.S. and Continental favourites, such as ICI and Glaxo, and liquidation of a UK investment trust's share portfolio, all contributed to the downturn.

The setback was hastened by NIESR's gloomy predictions for the UK economy and rate of inflation next year. London has been further discouraged by Wall Street's indecision this week, but yesterday, despite weakness in constituent Bowater following a broking house downgrading its profits forecast, the index slowly improved to close 4.7p up at the day's best of 722.1; on Monday, it had closed at a record 740.4.

Gilt-edged securities continued to trade quietly awaiting this week's U.S. money statistics. Comment that UK interest rates could be set to fall failed to encourage investment demand in markets currently unwilling to respond to either good or unfavourable factors; last month's depressing trade figures, announced earlier in the week, were a case in point. This week's sharp revival in index-linked issues lost impetus yesterday but quotations closed only marginally easier.

Cigna Overseas Finance 13 per cent 2008, which began life on Thursday in £30-paid form, closed at 30½. Other recently issued Fixed Interest stocks were narrowly irregular.

Wagon Finance weak

Wagon Finance provided an isolated feature in the banking sector, closing 8 down at 45p as the Board's cautious remarks about second-half prospects outweighed the near-78 per cent jump in interim profits. Elsewhere, the major clearing banks edged forward in thin trading; Midland hardened 2 to 437p as did NatWest to 600p.

With the exception of Eagle Star, which firmed 3 more to 460p on bid hopes, Composite Insurances drifted lower. Ahead of next Wednesday's interim results GRE dropped 9 to 525p, while Royals relinquished 5 to 533p as did General Accident, to 455p. Phoenix cheapened 4 to 332p and Sun Alliance lost ⅜ to £12⅞. Among Life issues, Refuge added 6 more to 418p on further consideration of the interim results.

Polytechnic Marine, placed last month at 111p, rose 7 more to a best-ever 254p. Other newcomers to the Unlisted Securities Market were little altered apart from Invent Energy, which extended Thursday's sharp advance to close slightly dearer at 232p.

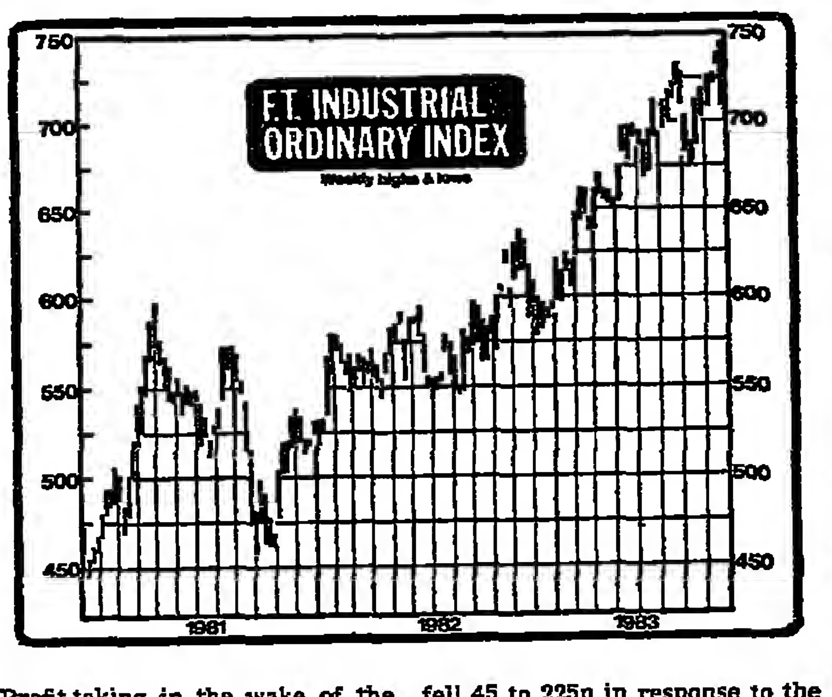
Further asessment of the half-yearly figures encouraged a better trend in Blue Circle which rallied 5 to 433p. Elsewhere in the Building sector, selective interest was shown in Contracting shares. J. Laing were in renewed demand and put on 10 to 156p, while Costain Group improved another 4 to 214p and Marchwiel closed 8 up at 208p. French Kier took a turn for the better, rallying 5 to 105p. Vibroplant advanced 12 to 145p in a limited market, while good interim figures left Ward Holdings 2 firmer at 74p. London Brick, the subject of revived bid talk this week, improved 2 more to 90p.

A dull market earlier in the week following Continental selling and the absence of fresh U.S. interest, ICI rallied smartly to close 10 higher at 534p. Scottish Agricultural, still reflecting the interim results, firmed 2 further to 285p. Comment on the half-yearly figures left Yorkshire Chemical a penny harder at 81p.

Milletts advance

The continued absence of institutional interest made for another idle session among leading Stores. House of Fraser succumbed to sporadic profit-taking and, at 242p, gave up 4 of the previous day's gain of 18. Raybeck firmed the turn to 34p, the reduced annual dividend and worst-than-anticipated deficit being outweighed as a trading influence by yet another cautiously optimistic statement. Press comment earlier in the week highlighting Nottingham Manufacturing's moves into retailing drew a belated sympathetic response in Millets Leisure, which spurted 26 to 150p in a restricted market, and in Greenfields, 2 up at 38p; Nottingham holds a near-10 per cent stake in both companies. Harris Queensway, 278p, and Currys, 328p, both hardened 4, but Owen Owen lacked support and shed 8 to 157p. Small buying on recovery hopes promoted strength in Ascis Jewellery, 5 up at 15p.

Leading Electricals passed a quiet session and closed mixed. Continuing to reflect fears of further Government defence spending cuts, Racal cheapened 4 more to 470p and Plessey eased 2 to 196p. Thorn EMI rallied 5 to 588p and BICC gained 3 to 223p. Elsewhere, Greenwich Cable lost 5 to 40p following the increased interim deficit, while Immediate Business Systems fell 6 for a two-day decline of 17 at 170p on the bigger annual loss.



Profit-taking in the wake of the first-half profits upsurge caused Lec Refrigeration, at 265p, to give back half of Thursday's rise of 30. Comment on the strong half-year profits recovery helped BSR to improve 2 for a gain on the week of 15 at 180p.

News that British engineering companies may gain orders worth up to £70m for the proposed Sizewell B electricity power station led to occasional interest in possible beneficiaries. Whessoe were noteworthy for a gain of 6 to 124p, while NEI edged up 1½ to 96p. Elsewhere in the Engineering sector, GKN advanced 6 to 184p, the improvement being accentuated by stock shortage. Hawker gained 4 to 314p and TI Group closed similarly dearer at 156p. Occasional gains in secondary issues included R. Cartwright, 4 to the good at 94p, and Bromsgrove Castings, 5 higher at 55p. Smith Whitworth responded to Press mention with a rise of 2 to 19p.

Foods displayed useful gains across a broad front. Tesco attracted investment support and rose 5 to 153p, while Unigate put on 6 to 108p for a similar reason. Associated Dairies hardened a penny to 165p awaiting next Wednesday's preliminary figures, while Cadbury Schweppes, half-timer expected the following day, firmed a couple of pence more to 105p. Rowntree Mackintosh, 216p, and Carr's Milling, 87p, both added 4, while the reduced interim loss and optimistic outlook lifted Highgate and Job 15 to 70p.

Among Hotels, Ladbroke were briskly traded in front of next Tuesday's interim results and clsedo 6 dearer at 227p.

Bowater down

Already a retreating market on fading bid hopes, Bowater took a further turn for the worse yesterday following a broker's downgraded profits forecast which prompted a fresh fall of 7 making a decline on the week of 26 at 215p. Other miscellaneous industrials displayed no set trend after a quiet trade. Renewed profit-taking clipped 5 from Glaxo, to take its fall on the week to 65 at 795p. Elsewhere, Rotaprint lost 2 to 12p and the 11½ per cent Convertible Preference fell 45 to 225p in response to the chairman's glomy annual report in which it was stated that Preference dividends will not be paid until the half-year results are known.

Reflecting the interim profits setback, Ropner A lost 8 to 92p but LCP met support after Press comment and closed 4 to the good at 93p. Speculative buyers returned for Inter City and the close was 5 higher at 69p, after 70p, while Bellair Cosmetics advanced 40 to 620p for the same reason. Polly Peck gained 1½ points to £24½ and Highgate Optical finished 10 dearer at 132p. Copydex firmed 6, making a leap of 42 on the week at 105p; on Tuesday, the company announced excellent interim results accompanied by a confident statement regarding second-half prospects.

Renewed optimism over cable television prospects coupled to recent encouraging noises from TV-am prompted some smart gains among Television issues. Anglia were outstanding at 136p, up 8, while LWT A, 170p, Scottish, 106p, and HTV, 162p, all firmed around 3. Trident TV added a couple of pence to 94p following an asset disposal. After the interim results, Miss World rose 5 to record a two-day gain of 30 at 170p, after 173p; Mr Michael Ashcroft, chairman of Hawley, is to join the Miss World board; Hawley presently controls 22 per cent of Miss World.

Fleet Holdings rose 5 to 117p on response to Mr Robert Holmes à Court's Bell Group increasing its holding to 4.2 per cent. John Waddington advanced another 9 to 270p, some 13 below the share-exchange offer from British Printing and Communication which has been extended until September 7; withdrawal notices accounting for another 1.3 per cent of Waddington's equity have been lodged bringing the total to 6.8 per cent. BPCC now controls 43.78 per cent of Waddington.

Leading Properties drifted lower on lack of support. Land Securities lost 4 to 306p as did MEPC to 206p.

Carpets International continued to react to the slightly disappointing interim figures and eased 3 for a two-day fall of 8 at 68p. Elsewhere in Textiles, Marks and Spencer supplier Munton Brothers rose 4 to 47p following news of a rights issue to repay borrowings and fund the purchase of a factory in Antrim, Northern Ireland. Further consideration of the interim statement lifted Sunbeam Wolsey 5 to 39p.

Tusts displayed relatively small and irregular movements, where altered.

Irish oils better

Irish exploration oils maintained the previous day's recovery movement, but final quotations were well below the best after a volatile trading session. Atlantic Resources touched 360p before settling at 340p, a rise of 15 on the day, while Aran ended 7 higher at 49p, after 52p, and Eglinton closed 20 higher at 200p, after 210p. Among the other speculative explorers, Sun (UK) Royalty regained 20 more to 280p. Jacksons Exploration improved 3 to 105p and American Oil Fields were prominent with a gain of 9 to 51p. Leading issues traded relatively quietly, but BP edged up to close 4 dearer at 436p, while Press comment on the interim figures stimulated demand for Britoil which advanced 10 to 254p.

Platinums up again

Currency considerations continued to dominate activity in the South African sectors of mining markets.

The continued weakness of sterling against the dollar and the absence of genuine business either way left sterling quotations with widespread gains on the day, but the situation was reversed when viewed in dollar terms.

The Gold Mines index showed a further 5.9 gain at 678.5, leaving this measure 18.5 higher over the week. Bullion closed $5.5 easier at $418.125 an ounce, little changed over the five-day period.

South African Financials moved similarly to Golds. Gold Fields of South Africa edged up ⅜ to £90 and Sentrust ¼ to £10, but remaining stocks showed little overall change. "Johnnies" held at £91, a couple of points higher on the week following the better-than-expected profits and the increased dividend announced on Tuesday.

De Beers remained under pressure and dipped 4 more to 638p 19 cheaper over the five day period—in the wake of disappointing results declared on Tuesday.

Recently strong Platinums enjoyed another day of substantial gains and active trading.

Recent strength in free market platinum prices, talk of stock shortage and hopes of further increases in U.S. automobile production led to outstanding gains in all three issues.

Lydenburg, the smallest of the quoted South African platinums, jumped 51 to a 1983 high of 633p on persistent American buying in a market short of stock, while Rustenburg rose 21 more to a year's best of 845p and Impala 9 to a high of 948p.

Dealers reported a disappointingly low turnover in recently active London Financials. RTZ closed unaltered and only marginally firmer on the week at 660p, after 663p, Gold Fields ended a fraction easier on the day at 619p, after having touched a 1983 peak of 644p in initial dealings on Monday morning. Charter rallied from 263p to close a net 3 firmer at 268p.

Australians closed a good week in fine form. The absence of the much-rumoured resources rent tax and a tax on gold mining in last Tuesday's Federal budget promoted strong gains throughout the sector which was moving ahead again in after-hours' business yesterday.

Golds were notably strong with Gold Mines Kalgoorlie up 15 more at 705p—a week's gain of 65. Among second line golds, Whim Creek were unchanged at 180p but remained 22 up on the week, while Samantha, unaltered yesterday at 82p showed a rise of 15 over the five days. In the diversified issues, Peko-Wallsend improved 14 to 462p and EZ Industries a like amount to 362p, the latter following the increased profits and dividend announced last Tuesday.

Holiday influences prevailed in Traded Options and dealers reported an almost total absence of professional activity. For the second consecutive session, puts traded exceeded calls—1,009 against 869. The week's daily average amounted to 1,606—the lowest since the first week of June. Imperial Group attracted a reasonable call business and recorded 331 deals, most of which were done in the November 130's which accounted for 258 trades.

FINANCIAL TIMES STOCK INDICES

	Aug. 26	Aug. 25	Aug. 24	Aug. 23	Aug. 22	Aug. 19	year ago
Government Secs.	79.60	79.71	79.63	79.67	79.82	79.51	77.70
Fixed Interest	82.44	82.51	82.63	82.62	82.63	82.43	78.33
Industrial Ord.	722.1	717.4	716.6	724.0	740.4	735.7	573.5
Gold Mines	678.5	672.6	666.2	668.2	661.2	660.0	320.1
Ord. Div. Yield	4.68	4.71	4.69	4.66	4.54	4.57	5.18
Earnings, Yld.% (full)	9.49	9.54	9.50	9.42	9.19	9.25	11.67
P/E Ratio (net) (*)	13.13	13.06	13.10	13.22	13.54	13.46	10.38
Total bargains	18,578	19,701	19,160	21,038	19,665	21,700	19,243
Equity turnover £m.	—	174.62	182.69	177.31	176.29	156.65	125.93
Equity bargains	—	15,142	16,579	18,222	18,409	17,792	12,499
Shares traded (ml)	—	114.9	108.1	109.5	122.0	104.6	82.7

10 am 719.9. 11 am 720.6. Noon 721.6. 1 pm 721.8.
2 pm 721.4. 3 pm 721.4.

Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/10/55. SE Activity 1974.

Latest Index 01-246 8026.

Nil=12.40.

HIGHS AND LOWS

	1983 High	1983 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	83.60 (15/6)	77.00 (24/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	84.74 (15/6)	79.03 (1/2)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	740.4 (22/8)	598.4 (12/1)	740.4 (22/8/83)	49.4 (26/6/40)
Gold Mines	734.7 (18/2)	531.5 (29/3)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY

	Aug. 25	Aug. 24
—Daily		
Gilt Edged Bargains	126.2	132.8
Equities Bargains	98.1	107.4
Value	352.9	369.3
5-day Avrge Gilt-Edged Bargains	137.0	140.5
Equities Bargains	111.6	117.2
Value	350.7	376.7

LEADERS AND LAGGARDS

Percentage changes since December 31, 1982, based on Thursday, August 25, 1983.

Motors	+52.40	Gold Mines Index	+20.88
Newspapers, Publishing	+52.05	All-Share Index	+19.34
Other Industrial Materials	+49.40	Health and H'sehold Products	+17.97
Oils	+47.40	500-Share Index	+16.93
Office Equipment	+41.10	Insurance Brokers	+13.16
Shipping and Transport	+37.98	Industrial Group	+11.82
Chemicals	+37.36	Property	+11.07
Mining Finance	+37.30	Engineering Contractors	+ 9.30
Insurance (Life)	+36.49	Capital Goods	+ 8.76
Merchant Banks	+34.68	Consumer Group	+ 8.70
Insurance (Composite)	+34.53	Building Materials	+ 7.63
Packaging and Paper	+34.52	Food Retailing	+ 7.03
Other Groups	+33.49	Stores	+ 4.86
Overseas Traders	+27.28	Mechanical Engineering	+ 4.64
Banks	+26.88	Food Manufacturing	+ 4.16
Financial Group	+25.92	Brewers and Distillers	+ 1.88
Textiles	+25.78	Electricals	+ 1.76
Investment Trusts	+25.27	Discount Houses	+ 1.53
Other Consumer	+25.22	Contracting, Construction	− 0.82
Leisure	+24.24	Tobaccos	− 5.42
Metals and Metal Forming	+22.32		

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Aug 22	Sept 9	Nov 24	Dec 5
Sept 12	Sept 23	Dec 8	Dec 19
Sept 26	Oct 7	Dec 22	Jan 3

For rate indications see end of Share Information Service

Stocks to attract money for the call included LCP, John Brown, BL, Inter-City, C. H. Bailey, Town and City Properties, Kwik-Fit, French Kier, Bowater, Butterfield-Harvey, Metal Sciences, Mettoy and Abwood Machine Tools. No puts were reported, but doubles were taken out in Bejam and Turner and Newall.

RISES AND FALLS ON THE WEEK

	Yesterday Rises	Yesterday Falls	Yesterday Same	On the week Rises	On the week Falls	On the week Same
British Funds	9	47	45	218	154	133
Corpns. Dom. and Foreign Bonds	2	9	66	47	45	293
Industrials	241	180	939	1,075	1,385	4,331
Financial and Props.	71	67	378	375	536	1,672
Oils	35	18	59	133	157	270
Plantations	3	4	14	11	18	76
Mines	68	16	77	269	174	362
Others	66	40	85	270	325	361
Totals	495	381	1,663	2,398	2,804	7,498

NEW HIGHS AND LOWS FOR 1983

NEW HIGHS (41)

AMERICANS (1)
Damson Oil

CANADIANS (1)
Brascan

BANKS (1)
Schroders

BUILDINGS (5)
Benford Concrete — Utd. Ceramic Dists.
Blockleys — Ward Defd.
British Dredging

CHEMICALS (1)
Scot. Ag. Inds.

STORES (2)
Fine Art Devs. — Milletts Leisure

ELECTRICALS (2)
Memory Computer — Micro Bus Systems.

ENGINEERING (3)
Birmingham Pallet — Smith Whitworth
Bromsgrove Casting

FOODS (2)
Tesco
Do. 9pc Cnv. Ln 2002-07

INDUSTRIALS (6)
Advance Services — Ebief
British Syphon — NMW Computers
Copydex — Transport Dev.

INSURANCES (1)
Refuge Assurance

LEISURE (2)
LWT A — Miss World Group

NEWSPAPERS (2)
Independent — News Intl. Sp. Div.

TRUSTS (3)
Brit Ind Gen Defd — Raeburn Inv.
Fleming Far Eastern

OILS (6)
Moonie Oil — Sun (UK) Royalty
S. & K. Petroleum — Weeks Pf. (Aust.)
Santos — Woodside Pet.

MINES (3)
Impala Plat. — Rustenburg Plat.
Lydenburg

NEW LOWS (6)

BUILDINGS (1)
Lawrence (W.)

ELECTRICALS (2)
Imm. Bus. Systems — Wholesale Fittings

FOODS (1)
Clifford's Dairies

INDUSTRIALS (2)
Pritchard Services — Spring Grove

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change	Stock	Closing price	Day's change
Aran Energy	49	+ 7	Ladbroke	227	+ 6
Atlantic Res.	340	+15	Lydenburg Plat.	633	+51
Bowater	215	− 7	Milletts Leisure	150	+26
Britoil	254	+10	Rotaprint 11½pcCnv.Pf.	225	−45
Bula Res.	21	+ 2	Waddington (J.)	270	+ 9
Inter-City Inv.	69	+ 5	Wagon Finance	45	− 8

THURSDAY'S ACTIVE STOCKS

Based on bargains recorded in SE Official List

Stock	No. of changes	Thurs. close	Day's change	Stock	No. of changes	Thurs. close	Day's change
Blue Circle	26	428	−17	Miss World	13	165	+25
BSR	19	178	+ 8	Bowater	12	222	−10
Britoil	17	244	+ 8	Lasmo	11	350	+10
RTZ	16	660	+13	Hse. of Fraser	12	246	+18
De Beers Defd.	14	642	+ 7	Debenhams	10	135	+ 7
BTR	13	542	+ 4	Energy Servs.	10	44	+ 3½
Glaxo	13	800	−10	London Brick	10	88	+ 3

5-DAY ACTIVE STOCKS

Based on bargains over the five-day period ending Thursday

Stock	No. of changes	Thurs. close	Change on week	Stock	No. of changes	Thurs. close	Change on week
Glaxo	99	800	−73	GEC	68	205	−11
ICI	84	524	−20	BTR	67	542	−11
Cns. Gold Fds.	80	620	+10	BSR	66	178	+11
RTZ	80	660	− 3	Bellair Csmtcs.	65	580	−40
Boots	78	177	+13	Midld. Bk. New	65	80pm	− 8
De Beers Defd.	69	642	−53	Beecham	62	343	− 2
Lasmo	69	350	−40	Hse. of Fraser	62	248	+ 8

RECENT ISSUES

EQUITIES

Issue price	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price	+ or −	Net. Div.	Times Covered	Gross Yield	P.E. Ratio
[illegible]											

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price £	+ or −
[illegible]							

"RIGHTS" OFFERS

Issue price p	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price p	+ or −
[illegible]							

Renunciation date usually last day for dealing free of stamp duty. [illegible]

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

Figures in parentheses show number of stocks per section

	EQUITY GROUPS & SUB-SECTIONS	Fri Aug 26 1983 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Thur Aug 25 Index No.	Wed Aug 24 Index No.	Tues Aug 23 Index No.	Mon Aug 22 Index No.	Year ago (approx.) Index No.	1983 High	1983 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (207)	469.99	+0.6	8.75	3.72	14.75	467.04	468.08	472.76	480.03	413.70	484.42 (26/4)	413.64 (27/1)	[illegible]	[illegible]
2	Building Materials (23)	434.76	+0.4	10.53	4.60	11.87	433.04	433.72	438.22	438.25	344.68	462.65 (15/3)	402.34 (1/1)	[illegible]	[illegible]
3	Contracting, Construction (30)	730.92	+0.6	12.19	4.71	10.20	726.84	724.84	737.64	745.44	641.80	831.09 (15/3)	713.51 (12/8)	[illegible]	[illegible]
4	Electricals (35)	1740.79	+0.7	7.71	2.18	16.85	1728.02	1741.08	1750.74	1792.12	1642.65	1909.93 (3/6)	1523.07 (27/1)	[illegible]	[illegible]
5	Engineering, Contractors (10)	476.29	+1.1	14.12	5.84	8.80	471.29	472.95	477.51	483.88	476.98	503.86 (27/4)	391.02 (1/2)	[illegible]	[illegible]
6	Mechanical Engineering (64)	203.54	+0.6	11.75	5.49	10.71	202.31	201.55	204.23	206.20	203.70	225.27 (27/4)	193.53 (1/1)	[illegible]	[illegible]
8	Metals and Metal Forming (10)	182.49	+1.0	10.14	6.43	11.99	180.60	180.12	183.85	185.97	155.90	187.60 (7/4)	147.60 (4/1)	[illegible]	[illegible]
9	Motors (18)	118.81	+0.7	—	4.82	—	117.97	117.43	120.13	122.50	83.44	122.50 (22/8)	76.73 (24/1)	[illegible]	[illegible]
10	Other Industrial Materials (17)	544.05	+0.4	5.34	4.05	24.68	542.06	540.13	545.62	553.65	350.55	554.92 (16/8)	362.82 (1/1)	[illegible]	[illegible]
21	CONSUMER GROUP (199)	437.69	+0.2	10.32	4.39	11.88	436.99	434.71	439.71	446.20	335.48	446.20 (22/8)	395.44 (12/1)	[illegible]	[illegible]
22	Brewers and Distillers (23)	458.23	−0.1	12.22	4.96	10.22	458.62	458.80	463.98	471.32	381.78	486.54 (15/2)	433.18 (30/3)	[illegible]	[illegible]
25	Food Manufacturing (22)	338.65	+0.6	13.30	5.84	8.80	336.54	334.01	338.34	341.16	286.06	350.37 (10/3)	318.68 (23/5)	[illegible]	[illegible]
26	Food Retailing (13)	925.92	+0.6	7.26	2.66	17.85	920.40	912.57	925.90	935.31	705.02	935.31 (22/8)	815.37 (30/3)	[illegible]	[illegible]
27	Health and Household Products (8)	780.14	−0.3	5.68	2.75	20.94	782.13	785.87	790.56	817.67	515.49	879.98 (18/4)	663.01 (1/1)	[illegible]	[illegible]
29	Leisure (22)	581.72	+0.9	8.76	4.66	14.68	576.64	577.83	584.36	587.90	428.43	587.90 (22/8)	451.80 (12/1)	[illegible]	[illegible]
32	Newspapers, Publishing (14)	961.39	+0.9	8.52	3.39	14.33	953.11	952.56	966.67	963.23	528.25	972.71 (11/8)	619.26 (4/1)	[illegible]	[illegible]
33	Packaging and Paper (14)	189.77	−0.1	11.72	5.33	10.36	189.95	192.33	194.56	196.36	139.72	197.56 (18/8)	139.78 (4/1)	[illegible]	[illegible]
34	Stores (48)	398.02	+0.1	7.94	3.75	17.08	397.62	392.72	397.65	403.06	302.45	403.06 (22/8)	342.40 (24/1)	[illegible]	[illegible]
35	Textiles (22)	215.66	—	11.57	5.32	10.32	215.64	215.47	218.71	219.74	164.25	219.74 (22/8)	171.44 (1/1)	[illegible]	[illegible]
36	Tobaccos (3)	419.50	−0.3	23.61	7.41	4.74	420.69	408.80	413.94	418.28	352.98	516.31 (3/2)	395.33 (10/8)	[illegible]	[illegible]
39	Other Consumer (10)	419.10	+0.1	5.76	3.53	—	418.49	419.21	423.68	423.69	263.24	425.80 (12/8)	334.21 (1/1)	[illegible]	[illegible]
41	OTHER GROUPS (79)	390.91	+0.6	8.01	4.37	15.82	388.61	388.49	391.92	397.68	259.15	401.25 (11/8)	288.55 (12/1)	[illegible]	[illegible]
42	Chemicals (15)	538.30	+1.2	8.40	4.69	15.58	531.82	531.97	535.12	549.13	337.23	562.43 (11/8)	379.93 (12/1)	[illegible]	[illegible]
44	Office Equipment (6)	113.18	−0.9	8.48	4.54	15.06	114.22	114.57	114.65	114.77	99.66	121.17 (5/8)	80.95 (1/1)	[illegible]	[illegible]
45	Shipping and Transport (15)	721.00	+0.3	6.86	5.64	20.98	718.74	717.08	720.96	722.40	566.53	723.79 (23/5)	520.64 (4/1)	[illegible]	[illegible]
46	Miscellaneous (43)	532.08	+0.3	7.86	3.79	15.28	530.67	530.26	537.17	541.97	345.81	541.97 (22/8)	409.35 (12/1)	[illegible]	[illegible]
49	INDUSTRIAL GROUP (485)	445.45	+0.4	9.43	4.16	13.25	443.75	442.87	447.55	454.25	351.32	454.25 (22/8)	391.26 (12/1)	[illegible]	[illegible]
51	Oils (15)	1039.04	+0.6	10.62	5.60	11.48	1033.01	1023.68	1029.84	1055.25	693.71	1071.68 (15/8)	693.58 (28/2)	[illegible]	[illegible]
59	500 SHARE INDEX	495.30	+0.4	9.65	4.42	12.90	493.23	491.63	496.43	504.72	379.39	505.31 (18/8)	419.14 (12/1)	[illegible]	[illegible]
61	FINANCIAL GROUP (122)	336.46	−0.3	—	5.66	—	337.39	335.62	339.44	342.09	252.66	342.09 (22/8)	267.24 (4/1)	[illegible]	[illegible]
62	Banks (6)	351.88	+0.2	24.31	7.24	4.49	351.28	351.63	352.93	354.44	261.81	363.93 (27/5)	273.48 (4/1)	[illegible]	[illegible]
63	Discount Houses (8)	295.63	+0.1	—	9.16	—	295.48	294.81	294.00	292.99	286.06	316.24 (26/4)	270.71 (31/1)	[illegible]	[illegible]
65	Insurance (Life) (9)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
66	Insurance (Composite) (10)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
67	Insurance Brokers (7)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
68	Merchant Banks (13)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
69	Property (53)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
70	Other Financial (16)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
71	Investment Trusts (109)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
81	Mining Finance (4)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
91	Overseas Traders (15)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
99	ALL-SHARE INDEX (750)	457.30	+0.3	—	4.63	—	456.14	454.52	459.07	465.67	345.94	465.74 (18/8)	382.22 (1/1)	[illegible]	[illegible]

Equity section or group	Base date	Base value	Equity section or group	Base date	Base value
Other Industrial Materials	31/12/80	287.41	Other Financial	31/12/70	128.06
Other Consumer	31/12/80	238.14	Food Manufacturing	29/12/67	114.13
Health/Household Prods.	30/12/77	261.77	Food Retailing	29/12/67	114.13
Other Groups	31/12/74	63.75	Insurance Brokers	29/12/67	96.67
Overseas Traders	31/12/74	100.00	Mining Finance	29/12/67	100.00
Engineering Contractors	31/12/71	153.84	All Other	10/4/62	100.00
Mechanical Engineering	31/12/71	153.84	British Government	31/12/75	100.00
Office Equipment	16/1/70	128.20	Debs. & Loans	31/12/77	100.00
Industrial Group	31/12/70	128.20	Preference	31/12/77	76.72

† Flat yield. A list of the constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4, price 15p, by post 28p.

CONSTITUENT CHANGES: Scottish Ontario Investment (71) has been deleted and replaced by Henderson Administration Group (70).

Alfred Walker profits fall

Although turnover rose marginally from £910,000 to £919,000, pre-tax profits of Alfred Walker, estate developer, dropped to £51,000 in the year to April 30 1983, against £106,000 before.

The directors say that until new products mature, profitability will be modest, although this will not affect dividend policy. As forecast, there is a net payment of 0.75p per share for the year.

The company was incorporated on March 31 1983 for the purpose of acquiring Walker West (Developments) and did not trade in its own right until July 1 1982. Comparisons have been taken from details pursuant to a scheme of arrangement dated April 23 1982.

There was again no tax charge and earnings per 10p share were down from 6.1p to 2.9p. Last year, there was also an extraordinary credit of £23,000.

The directors say that in the light of the company's strong balance sheet, its bank facilities and the number of proposals being received — especially in commercial property and finance —they are confident that it will achieve significant growth per share in the medium term; particularly give the potential arising from its present small capital base.

INSURANCE & OVERSEAS MANAGED FUNDS

Vanbrugh Life Assurance
41-43 Maddox St., Ldn. W1R 9LA 01-499 4923

Managed Fd.	277.4	292.0	+0.2	—
Equity Fd.	502.8	529.3	+1.5	—
Intnl. Fd.	201.7	212.4	−0.7	—
Fixed Int. Fd.	246.2	259.2	−0.3	—
Prop. Fd.	210.1	221.2	+0.1	—
Cash Fd.	175.7	185.0	.....	—

Vanbrugh Pension Limited
41-43, Maddox St., Ldn., W1R 9LA 01-499 4923

Managed	228.9	241.0	+0.4	—
Equity	294.0	309.5	+1.0	—
Fixed Interest	202.6	213.3	−0.4	—
Property	181.6	191.2	+1.5	—
Index Linked Gilt	103.8	109.3	.....	—
Guaranteed		9.69		
International Money	111.2	117.1	+0.6	—

Windsor Life Assur. Co. Ltd.
Royal Albert Hse., Sheet St., Windsor 68144

Investor Units	158.8	167.2	.....	—
Accum. Pen. Units	275.9	290.4	.....	—
Flex. Inv. Growth	163.9	172.6	.....	—

Continued on adjacent page Mon-Fri and Stock Exchange Dealings page on Sat.

OFFSHORE AND OVERSEAS

Adig Investment
Postfach 708, 8000 Munich 1, Telex 524269

Adirenta	DM21.09	21.72	.....	—
Adiverba	DM67.38	70.73	−0.23	—
Fondak	DM34.23	35.94	−0.11	—
Fondis	DM30.87	32.41	−0.10	—

Albany Fund Management Limited
P.O. Box 73, St. Helier, Jersey. 0534 73933
Albany $ Fd. (CI) ... $245.48 249.58 ..... 1.10
Next dealing Sept 1.

For Allen Harvey & Ross see Cater Allen
Alliance International Dollar Reserves
Now Alliance Capital Management Intnl.
See adjacent page Mon-Fri and Stock Exchange Dealings page Sat.

Andover Futures Ltd. (Adv: Thomte)
c/o MIL: Bank of Bermuda 809-295 4000
NAV ... — ..... —

Arbuthnot Securities (C.I.) Ltd. (a)(c)(h)
P.O. Box 428, St. Helier, Jersey. 0534 76077

Dollar Income Tst (z)	102.3	106.9	−0.4	11.23
Gov't Secs. Tst.	80.5	83.9	.....	11.92
Yen Bond*	193.0	200.0	.....	5.97
Sterling Fd.†	156.6	156.7	.....	0.30
East Intl & Engy*	192.5	208.0	.....	0.00

Next dealing *Aug 11. †Aug 31.

B.I.A. Bond Investments AG
10, Bauerstrasse CH6301, Zug, Switzerland
Barer Std Aug 19 ... SF10.60 11.200 ..... —

Baerbank (Overseas) Ltd.
West Wind Building, Grand Cayman
Lipobaer J. Baer SFr. ... $1,098 1,099 −1 —

Bank of America International S.A.
35, Boulevard Royal, Luxembourg G.D.
Worldinvest Inc. ... $116.19 116.78 +0.54 12.21
Valued weekly on Wednesdays.

Eurotax Investments Ltd.
1, Athol St., Douglas, Isle of Man.
UK Agents FIS, St. Albans. 0727 33166
Eurotax In Fd. ... 111.7 117.6 ..... —

Executive Life (C.I.F. Managers Ltd.)
P.O. Box 1063 Grand Cayman B.W.I.
Trans Atlntc Grwth Fd $11.60 — ..... —

F & C Mgmt. Ltd. Inv. Advisers
1, Laurence Pountney Hill, EC4. 01-623 4680
F&C Atlantic Fd. SA ... $13.88 −0.55 1.08
F&C Oriental Fd. ... $25.05 +0.13 0.80
Prices August 22. Weekly dealings.

Fidelity International.
9 Bond Street, St. Helier, Jersey, CI. 0534 71696.
Dealers: 33201. P.O. Box 670, Hamilton, Bermuda.

American Assets(z)	$62.03	64.38	−0.52	0.86
Am Vals Cum Pf $3¾	$102.0		.....	3.80
American Vals Comck	$65.78		.....	—
Australia (z)	$8.87	9.33	−0.14	—
Dollar Savings Tst.	$106.07		+0.02	8.92
Far East (z)	$34.83	36.57	−0.09	0.57
Frontier (z)	$11.78	12.37	−0.03	—
International (z)	$57.54	60.42	−0.60	0.47
Orient Fund (z)	$26.50	27.83	−0.09	—
Pacific (z)	$141.91	149.01	−0.70	0.23
Special Growth (z)	$14.03	14.73	−0.05	—
World (z)	$30.55	32.06	−0.21	1.27
Gilt Fund (z)	24.6	24.8	.....	10.80
American Inc. Tst. (z)	77.7	83.1	+0.9	5.60
Intnl. Inc. Tst. (z)	67.9	72.0	+0.8	6.30
$ Fixed Int. Tst. (z)	52.0	54.3	.....	10.80

‡Prices at July 31.

Fleming Japan Fund S.A.
37, rue Notre-Dame, Luxembourg
Fleming ... $70.39 — ..... —

Frankfurt Trust Investment-GmbH
Wiesenau 1, D-6000 Frankfurt
FT-Interzins ... DM42.89 43.35 −0.03 —
Frankft. Effekt. Fd. ... DM70.44 74.15 +0.01 —

Free World Fund Ltd.
Butterfield Bldg., Hamilton, Bermuda.
NAV ... — ..... —

G. T. Management (U.K.) Ltd.
Park Hse., 16 Finsbury Circus.
Tel: 01-628 8131. Tlx: 886100.
London Agents for:

Anchor Gilt Edge	9.76	9.82	+0.13	12.93
Anchor Int. Fd.	$8.95	8.96	.....	1.12
Berry Pac Fd.		$8.88	.....	0.62
Berry Pac Strlg	7.25	7.6335	.....	0.69
GT Applied Science Fd.		$17.78	.....	—
G.T. Asia Fd.		$4.10	.....	1.10
G.T. Asia Sterling	£41.61	44.03	.....	1.19
G.T. Australia Fd.		$37.19	.....	1.13
G.T. Bond Fund		$10.64	+0.01	10.06
G.T. Dollar Fd.		$17.15	−0.32	0.87
G.T. Dlr. (Strlg.) Fd.	£25.31	26.60	−1.39	0.99
G.T. Global Tech Fd.		$15.62	.....	—
G.T. Honshu PathFinder		$18.25	.....	—
G.T. Invest. Fd.		$20.12	.....	0.49
G.T. Japan Small Cos.		$32.37	.....	—
G.T. Technology Fd.		$34.86	.....	—
G.T. Pacific Fd.		$16.10	−0.13	0.24
G.T. Asean HK Growth		$11.86	−0.23	1.35

Gartmore Fund Managers Ldn. Agents
2, St. Mary Axe, London, EC3. 01-623 1212

Gartmore Fund Managers (C.I.) Ltd. (a) (h)
41, Broad St., St. Helier, Jersey. 0534-73741
Gilt Fund (Jersey) Tue 98.0 99.0 ..... 10.90

Gartmore Fd Managers (Far East) Ltd(a)(b)
1608 Hutchison Hse., 10 Harcourt Rd., H. Kong.

Australia Tst. ... Mon.	$6.053	6.508	+0.307	1.30
Japan Fd ... Tue.	$33.375	35.789	.....	0.60
N. American Tst. Wed	$26.559	28.578	.....	0.60
Intl. Bond Fund ... Thu.	$10.306	10.856	.....	7.08
HK & Pac. U. Tst Fri	$7.939	8.485	−0.140	2.60

Gartmore Fund Managers (IOM) (a)
P.O. Box 32, Douglas, Isle of Man Tel. 0624 23911
Intl. Inc. ... Thu 20.4 21.7 ..... —
Intl. Grth. ... Thu 206.5 219.7 ..... 0.60

Assicurazioni GENERALI S.p.A.
P.O. Box 132, St. Peter Port, Guernsey, C.I.
Sterling Managed Fd. £146.43 154.35 ..... —
Dollar Mngd. Fnd. ... $143.56 151.32 ..... —

Granville Management Limited
P.O. Box 73, St. Helier, Jersey. 0534 73933
Granville Inv. Tst. ... £10.99 11.46 ..... 3.27
Next dealing day August 24.

Grindlay Henderson Mngt Ltd.,
P.O. Box 414, St Helier, Jersey. 0534 74248.
See adjacent page Mon-Fri and Stock Exchange Dealings page Sat.

Guinness Mahon Int. Fund (Guernsey)
PO Box 188, St. Peter Port, Guernsey. 0481 23506.

U.S. $ Price (Part.)	$20.33	20.96	.....	—
£ Sterling Equivalent	£13.39	13.81	.....	—
U.S. $ Price (Accum.)	$20.96	21.60	.....	—
£ Sterling Equivalent	£13.81	14.23	.....	—

Prices at Aug 18. Next dealing Sept 1.

Hambro Pacific Fund Mgmt. Ltd.
2110, Connaught Centre, Hong Kong
Far Eastern Aug 24 ... $31.89 34.07 ..... —
Japan Fd Aug 24 ... $14.53 15.60 −0.15 —

...

PO Box 214, St Peter Port, Guernsey 0481 27768
Gilt & Option Fd. ... £1.10 1.16 ..... —
US $ Option ... $1.50 1.65 ..... —

World Wide Growth Management
10a, Boulevard Royal, Luxembourg
Worldwide Gth Fd $13.42 −0.11 —
Inv. Adv.: M. & G. Inv. Mngt. Ltd., London.

Wren Commodity Management Ltd.
10, St. George's St., Douglas IoM 0624 25015

Wren Com. Fund	28.3	29.4	.....	—
Chinese Fund	70.0	72.9	−0.4	—
Precious Metal Fund.	128.0	133.2	.....	—
Vanguard Cmdy. Fd.	36.8	39.0	−0.3	—
Financial Futures Fd.	81.6	85.0	+1.6	—
Wren Intl. Fnd.*	$0.718	0.747	−0.006	—

NOTES

Prices are in pence unless otherwise indicated and those designated $ with no prefix refer to U.S. dollars. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of UK taxes. p Periodic premium insurance plans. s Single premium insurance. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. Z Previous day's price. ¶ Guernsey gross. φ Suspended. [illegible] † Ex-subdivision. [illegible] Yield [illegible]

FT LONDON SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

Five to Fifteen Years

Over Fifteen Years

Undated

Index-Linked

Prospective real redemption rate on projected inflation of (1) 10% and (2) 7%

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

LOANS

Public Board and Ind.

LOANS—Continued

Financial

Building Societies

FOREIGN BONDS & RAILS

AMERICANS

CANADIANS

BANKS, H.P. & LEASING

BANKS—Continued

Hire Purchase, Leasing, etc.

BEERS, WINES & SPIRITS

BUILDING INDUSTRY, TIMBER AND ROADS

CHEMICALS, PLASTICS

CHEMICALS, PLASTICS—Cont.

DRAPERY AND STORES

ELECTRICALS

ELECTRICALS—Continued.

ENGINEERING MACHINE TOOLS

FOOD, GROCERIES, ETC.

FOOD, GROCERIES—Cont.

HOTELS AND CATERERS

INDUSTRIALS (Miscel.)

LEISURE — PROPERTY—Continued — INVESTMENT TRUSTS—Continued — OIL AND GAS—Continued

S AND CATERERS

TRIALS (Miscel.)

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING ADVERTISING

PROPERTY

INSURANCES

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

Finance, Land, etc.

OIL AND GAS

OVERSEAS TRADERS

PLANTATIONS

Rubbers, Palm Oil

Teas

MINES

Central Rand

Eastern Rand

Far West Rand

O.F.S.

Finance

Diamond and Platinum

MINES—Continued

Central African

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
300	210	Falcon Rh.50c	220	.....	Q70c	4.2	24.9
23	16	Wankie Col. Z$1	22	−1	Q5c	0.7	13.3
28	18	Zam.Cpr.SBD0.24	19½	+½	—	—	—

Australians

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
28½	13½	♥ACM 20c	17½	.....	—	—	—
40	32	Allstate Expln NL	40	+4	—	—	—
25	11	Balmoral Resources	17	.....	—	—	—
60	37	♥Black Hill Mins.	47	.....	—	—	—
70	51	♥Bond Corp.	70	.....	g010c	2.3	8.7
183	116	♥Bougainville 1 Kina	174	+1	vQ3.42c	1.7	1.2
360	204	♥C R A 50c	350	+5	tQ3c	—	0.5
145	60	♥Carr Boyd 20c	86	.....	—	—	—
43	18	♥Central Pacific	32	.....	—	—	—
9	2¼	♥Cons Gold Mng Areas	3	.....	—	—	—
235	183	♥Crusader Oil	230	.....	—	—	—
15	8	♥Cultus Pac NL	11	−½	—	—	—
19	7	♥Eagle Corp 10c	18	.....	—	—	—
14	8	♥Endeavour 20c	11½	.....	—	—	—
58	17	♥Enterprise Gld Mines	38	.....	—	—	—
810	500	♥GM Kalgoorlie 25c	705	+15	hQ10c	ϕ	0.8
24	6	Grt. Eastern Mines	17½	−½	—	—	—
*240	170	Hampton Areas 10p	224	.....	3.75	2.1	2.4
32	15½	♥Haoma NW	27	.....	—	—	—
92	30	♥Hill Minerals N.L.	54	.....	—	—	—
41	13	♥Intnl Mining	26	.....	—	—	—
100	25	♥Jingellic Minerals	62	.....	—	—	—
42	21	♥Kalbara Min 20c	23	.....	—	—	—
18	9	♥Keywest Expl	17½	.....	—	—	—
130	54	♥Kitchener NL 25c	110	+2	—	—	—
180	78	♥Meekatharra 25c	82	.....	—	—	—
48	24	♥Metals Ex 50c	47	+2	—	—	—
52	23	♥Metramar Mns 20c	32	−2	—	—	—
279	217	♥MIM Hldgs 50c	262	+2	Q5c	—	1.1
12½	5	♥Mincorp 20c	11½	.....	—	—	—
8	3	♥Minefields Expl 25c	5	.....	—	—	—
46	23	♥Newmetal 20c	40	.....	—	—	—
*195	128	♥North B Hill 50c	187	−3	gQ6c	1.3	1.8
69	38	Nth. Kalgurli	67	.....	—	—	—
86	58	♥Oakbridge 50c	86	.....	Q7c	1.7	4.7
55	23	Otter Expln NL	46	+2	—	—	—
78	46	♥Pacific Copper	65	.....	ϕ	—	—
150	64	♥Pancont'l 25c	96	+2	—	—	—
9½	4	Pan Pacific Pets NL	6¾	.....	—	—	—
73	35	Paringa Mng & Expln 5p	72	.....	—	—	—
476	324	♥Peko-Wallsend 50c	462	+14	Q5c	ϕ	0.6
11	6	♥Pelsart Res NL	6	.....	—	—	—
298	172	♥Renison 50c	294	+4	Q10c	ϕ	2.0
270	135	♥Do Defd	270	+5	—	—	—
83	20	Samantha Explor NL	82	.....	—	—	—
52	32	Samson Explor NL	52	.....	—	—	—
74	52	♥Seltrust 50c	72	.....	—	—	—
48	24	♥Sons of Gwalia N.L.	47	+1	—	—	—
19	7	♥Southern Pacific	15	+¼	—	—	—
14	6	♥Southern Ventures 25c	8½	.....	ϕ	—	—
50	17	♥Swan Res 20c	23	.....	—	—	—
52	39	♥United Goldfields	52	.....	—	—	—
24	5	♥West Coast 25c	14	.....	—	—	—
38	14	♥Western Cont. 50c	19	.....	—	—	—
305	198	Westn. Mining 50c	294	+4	‡Q2½c	ϕ	‡
162	53	♥Whim Creek 20c	180	.....	—	—	—
23	8	♥York Resources	22	+1	—	—	—

Tins

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
245	175	Ayer Hitam $M1	210	.....	‡Q95c	1.0	‡
150	63	Geevor	128	+1	—	—	—
18	10½	Gold & Base 12½p	12	.....	—	—	—
435	290	Gopeng Cons.	405	+5	20.0	1.4	7.1
600	525	Hongkong	575	.....	21.0	ϕ	5.2
21	13	Jantar 12½p	16	.....	1.5	0.2	13.4
270	100	Kamunting $M0.50	235	.....	hQ27½c	0.8	3.3
96	56	Malaysia Mng. 10c	77	+1	vQ11c	0.9	4.1
57	28	♥Pahang	54	.....	—	—	—
500	325	Pengkalen 10p	500	.....	1.0	—	0.3
330	225	Petaling $M1	320	.....	tuQ60c	1.3	5.3
250	185	Sungei Besi $M1	245	−5	‡vQ185c	0.6	‡
55	40	♥Supreme Corp M$1	55	.....	vhQ3½c	ϕ	2.0
110	93	Tanjong 15p	105	.....	g3.5	—	4.8
145	60	♥Tongkah H. Tin $M1	135	.....	vQ5c	1.3	1.1
300	190	Tronoh $M1	260	.....	vQ90c	1.1	9.8

Miscellaneous

1983 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
170	90	Admiral Mines	95	+5	—	—	—
90	34	♥Anglo-Dominion	77	.....	—	—	—
93	54	♥Anglo Utd. Dev.	63	+1	—	—	—
135	60	♥Colby Res Corp.	125	.....	—	—	—
505	315	Cons. Murch. 10c	500	+5	‡Q60c	1.9	‡
5½	2½	‡‡Explaura Gold	3	.....	—	—	—
185	103	♥Highwood Res.	180	.....	—	—	—
£24¼	£18	Homestake Mining $1	£23⅞	−⅛	hQ20c	—	0.6
495	330	Northgate C$1	370	.....	—	—	—
672	437	R.T.Z.	660	.....	‡17.0	1.9	3.7
£147½	£108	Do 9½% Vc Ln '95-2000	£146	+2	Q9½%	21.4	f6.6
190	13	♥Sabina Inds C$1	133	−7	—	—	—
		For Southwest Res see Oil & Gas					
615	312	♥Tara Expln $1	600	−5	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application.
- ϕ Figures or report awaited.
- ♥ Not officially UK Listed; dealings permitted under Rule 163(4)(a).
- ✢ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- ‡‡ Dealt in under Rule 163(3).
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ◆ Merger bid or reorganisation in progress.
- ♣ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ☆ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- || No par value

B.Fr. Belgian Francs. Fr. French Francs. §§ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1983-84. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or other official estimates for 1982-83. M Dividend and yield based on prospectus or other official estimates for 1983. N Dividend and yield based on prospectus or other official estimates for 1982-83. P Figures based on prospectus or other official estimates for 1982. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xc ex capital distribution.

REGIONAL AND IRISH STOCKS

The following is a selection of regional and Irish stocks, the latter being quoted in Irish currency.

Stock	Price	+ or −	IRISH	Price	+ or −
			Nat. 9¾% 84/89	£86½	.....
			Fin. 13% 97/02	94½xd	.....
Albany Inv. 20p	63	+1	Alliance Gas	90	.....
Bdg'wtr. Est. 50p	270	.....	Arnott	210	.....
Craig & Rose £1	£11½	.....	Carroll (P.J.)	110	.....
Finlay Pkg. 5p	37	.....	Concrete Prods.	72	.....
Graig Ship. £1	22	.....	Helton (Hldgs.)	16	.....
Higsons Brew.	87	+2	Irish Ropes	32	.....
Holt (Jos) 25p	910	.....	Jacob	81	−1
I.O.M. Stm £1	145	+5	T M G	60	.....
Pearce (C. H.)	500	.....	Unidare	72xd	.....

OPTIONS

3-month Call Rates

Industrials					
Allied-Lyons	15	House of Fraser	26	Utd. Drapery	14
BOC Grp.	22	I.C.I.	45	Vickers	12
B.S.R.	20	"Imps"	11	Woolworth Hld.	30
Babcock	18	I.C.L.	8½		
Barclays Bank	45	Ladbroke	22	**Property**	
Beecham	32	Legal & Gen.	45	Brit. Land	8½
Blue Circle	40	Lex Service	36	Cap. Counties	15
Boots	20	Lloyds Bank	48	Land Sec.	38
Bowaters	24	"Lofs"	3½	MEPC	22
Brit. Aerospace	19	London Brick	10	Peachey	16
B.A.T.	14	Lucas Inds.	18	Samuel Props.	12
Brown (J.)	4	"Mams"	12	Town & City	5
Burton Ord.	35	Mrks. & Spncr	20		
Cadburys	11	Midland Bank	40	**Oils**	
Courtaulds	10	N.E.I.	10	Brit. Petroleum	40
Debenhams	14	Nat. West. Bank	55	Burmah Oil	19
Distillers	22	P & O Dfd.	21	Charterhall	8
Dunlop	6	Plessey	18	KCA	7
Eagle Star	45	Racal Elect.	45	Premier	6½
F.N.F.C.	6	R.H.M.	7	Shell	55
Gen. Accident	45	Rank Org. Ord.	20	Tricentrol	22
Gen. Electric	20	Reed Intnl.	32	Ultramar	68
Glaxo	75	Sears	8½		
Grand Met.	32	T.I.	16	**Mines**	
G.U.S. 'A'	50	Tesco	16	Charter Cons.	30
Guardian	50	Thorn EMI	55	Cons. Gold	60
G.K.N.	18	Trusthouse	18	Lonrho	10
Hawker Sidd.	32	Turner & Newall	7	Rio T. Zinc	65
		Unilever	70		

A selection of Options traded is given on the London Stock Exchange Report page

"Recent Issues" and "Rights" Page 22

FINANCIAL TIMES

Saturday August 27 1983

MAN IN THE NEWS

A star gets his palace

BY MICHAEL COVENEY

SINCE Tuesday's announcement that he has purchased the freehold on the Palace Theatre, London for £1.3m. Andrew Lloyd Webber has been inundated with both production proposals and congratulatory messages (one on buying "the ultimate Victorian art work").

Pre-Raphaelite painting and Victorian architecture have long been an obsession of Britain's most successful composer.

Now 35, the composer of *Jesus Christ Superstar*, *Evita* and *Cats* has long cherished ambitions of owning his own theatre. Last year he was pipped at the post

Andrew Lloyd Webber

for the Aldwych by the American impresario James Nederlander. And plans to re-open the Old Vic as a home for new British musicals were thwarted by Canadian restaurateur Ed Mirvish, whose sealed bid just topped Lloyd Webber's.

The Palace, a Grade II listed building, looms impressively over Cambridge Circus. It opened in 1891 under the management of Richard D'Oyly Carte as a home for new English opera, but then became the stage for many long-running musicals.

Superstar topped the lot by running for eight years from 1972. The record album had been released two years earlier and remains the biggest selling British LP ever. With his lyricist partner, Tim Rice, this marketing of a hit show before it even appeared on the stage was later repeated with *Evita*.

Lloyd Webber's mother was a distinguished teacher of the piano to very young children. His father, who died last year, was director of the London College of Music. His brother Julian, is an outstanding cello soloist.

Andrew is pleased that the British theatre is at last taking musicals seriously — he is fond of quoting Duke Ellington to the effect that there are only two kinds of music, good and bad — and his own career has much to do with this.

These thoughts came tumbling out in a rush as we sat in the dining room of Lloyd Webber's Belgravia apartment. He had just left a meeting next door with his business manager Terry Hands, joint artistic director of the Royal Shakespeare Company — and a powerful West Coast entrepreneur.

"Tomorrow," he shouted as they departed, "I shall be in Sydmonton with Trevor." Trevor being Mr Nunn, the other artistic director of the RSC, director of *Cats*, and director and lyricist of Lloyd Webber's next show but one, an adaptation of David Garnett's novel *Aspects of Love*. This might or might not appear at the Palace.

Lloyd Webber nearly left the country in 1979, but Mrs Thatcher's election victory and the introduction of a revised top tax rate changed his mind. At Sydmonton, his country house in Hampshire, he runs an annual informal festival where many new works are tried out.

For 10 years, with Tim Rice, he was under contract to Robert Stigwood. Now his own man, with his own company, Lloyd Webber is the only creative artist in London to *own* a theatre.

The whole adventure started in 1968 with the 15-minute pop oratorio *Joseph and the Amazing Technicolor Dreamcoat*, still regularly performed in its extended version all over the world. But *Cats* is, for him, "the unrepeatable one" and the most successful. No tickets are available in London until next January. And three weeks ago on Broadway it recouped its entire investment.

With Lloyd Webber going ahead full steam and other young impresarios like Cameron Mackintosh and Robert Fox working alongside him in creative rivalry, the future of live theatre in the capital does not seem quite so bleak after all.

China set to join nuclear agency

BY DAVID FISHLOCK, SCIENCE EDITOR

CHINA IS expected to apply for membership of the International Atomic Energy Agency hoping for approval at the annual conference in October.

It is the only one of the world's five nuclear weapon nations not to belong to the IAEA which polices the Non-Proliferation Treaty (NPT) and promotes international collaboration in nuclear energy.

China's main condition of entry—a seat on the agency's governing body—where 34 other nations are represented — is expected to be met.

Dr Hans Blix, director-general of the IAEA, told the Uranium Institute symposium in London yesterday that environmental as well as energy supply issues "appear to have played an important role" in China's decision to turn to nuclear power.

He said the decision to apply for membership, confirmed during his recent visit to China, was also confirmation of the usefulness of the agency's work.

China, which has no nuclear power reactors yet in operation or under construction, is not expected to sign the Non-Proliferation Treaty, but it is thought likely to endorse the principles of nuclear safeguards against weapon proliferation as anunciated by IAEA statutes.

It would be in a position similar to that of France; as a nuclear weapons state which, while not a signatory to the NPT, nevertheless endorses nuclear safeguards.

The reasons given for China's initiative are that it wishes to join the international nuclear energy community in support of its own plans for nuclear power, particularly in regard to the safe operation of nuclear plants.

It plans to build two 900 Mw reactors near Hong Kong and a 300 Mw reactor near Shanghai.

Dr Blix said yesterday that in spite of vast deposits of coal and much unexploited hydro-electric potential they have come to the conclusion that nuclear must become one of their important energy resources.

In return he had found that China had considerable experience of the use of radiation and radio-isotopes—for example in food preservation and agricultural research—to offer the international nuclear community.

The major question for the IAEA is whether China will take a strong line on safeguards against nuclear weapons proliferation, for example by fully supporting the agency's efforts to prevent all transfer of unsafeguarded nuclear materials and equipment.

Dr Blix told the symposium that preventing the further spread of nuclear weapons "is largely a question of political will. It is vitally important that this will be maintained and that it be extended to prevent a further accumulation of nuclear weapons and to begin nuclear disarmament."

The world was "threatened by some 50,000 nuclear warheads today, not by 300 nuclear power reactors," he said. "When so many people turn against the reactors I fear it is often because of the frustration that they feel in their fruitless fight against the weapons."

Court allows BA to challenge Belfast rival

BY JAMES McDONALD

British Airways was given permission in the High Court yesterday to challenge the Civil Aviation Authority's decision to allow British Midland Airways to operate a rival service on the Heathrow-Belfast shuttle route.

Mr Justice Nolan said BA appeared to have an "arguable case" which should be heard by the Queen's Bench Divisional Court as soon as possible.

The full application challenging the 10-year licence granted by the CAA to British Midland, however, is not expected to be heard until the start of the new law term on October 1.

Mr Michael Bishop, chairman of British Midland, said last night that his company had been granted the licence for a Heathrow-Belfast service and that, if it wished, it could start a service at any time before the court hearing.

But he refused to say if the company would start operations before the hearing.

This is believed to be the first time any CAA route-licensing decision has been challenged in the High Court. In so doing, British Airways appears to be challenging the Government's "open skies" aviation policy.

In the High Court yesterday, BA claimed the CAA's decision was inconsistent with the 1982 Civil Aviation Act, which governs the way licences are granted.

The state-owned airline, which may be privatised within the next two years, claimed the CAA attached too much importance to the question of competition when granting the licence to British Midland.

Mr Peter Scott, QC, counsel for British Airways, told the judge that the CAA had a duty to consider the effect of awarding new licences on existing operators.

Mr Scott said that BA had come directly to the High Court rather than to the Secretary for Transport because the issues raised in the case involved the construction of the Act and applied to all licence applications. It was better that an important point of law should be cleared by the court before being dealt with by the Secretary for Transport.

Mr Justice Nolan said: "There is no doubt about the importance and urgency of this matter. Every subject has the right to come to the court to protect his interests, or try to."

Earlier yesterday, the judge refused a British Midland application to be represented at the hearing to oppose the British Airways' challenge.

Mr Bishop said British Midland was leaving in the hands of its solicitors the possibility of an appeal over the judge's refusal to allow the airline to be represented.

British Midland, based in Derby, plans to run 43 flights a week to Belfast costing £52.50 one-way—£3.50 cheaper than the BA shuttle.

Creditors appoint liquidators for Meriden

BY JOHN GRIFFITHS

THE ONCE-PROUD name of Triumph finally toppled yesterday into the self-dug grave of Britain's motorcycle industry.

The end of the Meriden co-operative, last makers of motorcycles bearing the Triumph name, was reached with the appointment of liquidators by 200 creditors owed a total of £3.8m.

Their meeting at the Meriden plant, near Coventry, was a formality—not one machine has been built since February. Only a handful of employees remained of the 2,000 who, in 1975, armed with £5m from Mr Tony Benn, then Industry Secretary, launched the co-operative bent on restoring Triumph to its 1960s glories.

Instead, Meriden has eaten its way through nearly £15m. The only significant asset is the plant site itself, which it is hoped will raise £1m if sold for redevelopment. Total assete are put at no more than £1.2m.

The joint liquidators, Mr Alastair Jones and Mr Roger Dickens of accountants Peat, Marwick, Birmingham, hope to sell the plant and equipment in one package. They indicated yesterday that unsecured creditors—owed more than £2m—are likely to get nothing. The one secured creditor, National Westminster Bank, is owed £1.3m.

Unsecured creditors include West Midlands County Council, which at the end of last year lent the co-operative £465,000 to help its cash flow.

The odds were stacked heavily against success from the moment the co-operative came into being, after a sit-in to prevent the factory's closure by Norton Villiers Triumph. Lack of investment and complacency about productivity coupled with an early contempt for the threat from Japanese motorcycles had made the UK industry's plight irretrievable by the early 1970s.

Meriden enjoyed a brief early success, selling a few thousand machines a year but by October 1981 the Government was obliged to write off £10.85m accumulated debt to the Industry Department and Export Credits Guarantee Department.

Workers' co-operative in receivership

BY TIM DICKSON

THE Greater London Council and the London Borough of Brent yesterday appointed a receiver at Third Sector, workers' co-operative which trades as Hall Telephones and which employees well over 100 people.

The decision ends a near one-year fight by the company to stay alive with financial support from the GLC and Brent amounting to about £1m.

Third Sector, which makes telephone coin boxes, was formed last September after GEC decided to close down its Associated Automation factory in Willesden, West London.

It was expected that more than 180 of the previous 350 jobs could be saved by the takeover, which was made with the help of employees' redundancy money. The GLC, moreover, hoped the experiment would be a model initiative for saving jobs in the capital.

Mr Michael Ward, chairman of the GLC Industry and Employment Committee, said yesterday: "The attempt has been bold and imaginative with the workforce investing a great deal of time and money in it. This course represents the last hope of saving any jobs."

Gleneagles Hotels to expand with GrandMet London deal

BY MARK MEREDITH, SCOTTISH CORRESPONDENT

GLENEAGLES HOTELS, set up two years ago to take over three former British Rail hotels in Scotland, plans to acquire Grand Metropolitan's Piccadilly Hotel in London.

This is its first expansion. A proposed rights issue will aim to raise about £9.5m from shareholders to finance the acquisition.

St Martin's Property Company will buy the lease on the Piccadilly from GrandMet. St. Martin's is a subsidiary of the Kuwaiti Investment Office which is a Gleneagles shareholder, and has Mr Bruce Dawson, its assistant general manager, on Gleneagles' board.

A refurbishing lease worth about £7.5m will be taken up by Gleneagles which will modernise the hotel, bringing it up to four-star standard.

The finance package is expected to be put to a board meeting of the Edinburgh-based group in the middle of next month.

The deal is near completion, according to senior officials of Gleneagles.

British Rail, through British Transport Hotels, still owns 33 per cent of the Gleneagles' shares. It is not expected to expand its share in the private sector when it is selling its hotel interests.

This would mean the rights issue being spread among Gleneagles' 17 other shareholders or new shareholders being taken on.

Sir Alan Smith, Gleneagles' chairman, and Mr Peter Tyrie, managing director, are being assisted in the rights issue by Quayle Munro, a new Edinburgh finance house, and the British Linen Bank. The bank handled the company's original share placing.

Gleneagles was formed in 1981. It raised £13.5m to finance the purchase of the hotels for about £8m and to provide onward running costs.

Nine million shares worth £1 were placed and £4.5m produced through borrowing.

Since the purchase the company has spent close to £7m on improving and expanding the Caledonian Hotel in Edinburgh and Gleneagles.

The Caledonian, now a five-star hotel, is trading profitably and reporting 90 per cent occupancy for August. It predicts 93 per cent for next month.

Gleneagles with its new sports centre is now open all year and reaching annual occupancy of 66 per cent. This matches the rate for the six-month season under British Rail ownership.

Continued from Page 1

Vauxhall workers

the first five months of this year 48 per cent of Vauxhall's UK sales were imported.

Similar union threats were made a year ago but resulted only in a one-day picket at the port of Sheerness, Kent. A threatened import ban on the Spanish-built Nova was called off when Vauxhall offered to put on second shifts at its plants and gave job-security assurances.

Vauxhall expects Ellesmere Port to return to normal today, when it will be open for five hours. Lost production yesterday amounted to about 50 Astra and Chevette cars at Ellesmere Port and 10 Cavaliers at Luton.

Union officials expect a further negotiating meeting to be arranged at which Vauxhall will raise the 5 per cent offer. Even though an import ban will be difficult for unions to mount, the company's booming sales will make it difficult for Vauxhall to avoid agreeing to a high pay increase.

Continued from Page 1

Beer bottles

plant in Leicester to compete with Metal Box. The new plant will have an initial capacity of 30m bottles a year and will be on stream by next summer.

● Davenport Brewery is to invest £1m in a fully-automated plant for the filling of PET bottles. This year, the company expects a 30 per cent increase in both sales and trading profits as a result of the new business.

A number of the major brewers, including Watney, are investing up to £500,000 each for equipment which will fill PET bottles.

According to the Brewers Guild, some 27 beer brands are available in plastic bottles. These are expected to reach the 40 mark by the end of the year.

"The whole thing is staggering," said Mr A. D. Campion, ICI's sales manager for Melinar, the company's trade name for PET. "Sales are going twice as fast as we thought and people thought we were mad. At the end of the day, it's a package people like. The people who have been vastly surprised are the brewers."

Weather

UK TODAY

WARM. Dry in South, rain in North.

London, Central S. England, E. Midlands
Dull, misty start. Sunny later. Dry. Max 26C (79F).

SE, E, S, W & Central N. England, W. Midlands, Wales
Early fog. Sunny later. Dry. Max 26C (79F).

Rest of England, Scotland, I.o.M., N. Ireland
Rain. Cloudy. Hill and coastal fog. Max 23C (73F).

Outlook: Dry and warm.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	S	22	72	L. Ang.†	S	18	64
Algiers	S	30	86	Luxmbg.	S	26	79
Amsdm.	S	22	72	Madeira	F	23	73
Athens	S	27	81	Madrid	F	27	81
Bahrain	S	37	99	Majorca	C	27	81
Barclna.	F	27	81	Malaga	S	27	81
Beirut	S	30	86	Malta	S	30	86
Belfast	C	21	70	M'chstr.	F	23	73
Belgrd.	S	26	79	Melbne.	C	11	52
Berlin	S	25	77	Mx. C.		—	—
Biarritz	C	18	64	Miami†	S	28	82
Bmghm.	S	23	73	Milan	F	22	72
Blackpl.	S	22	72	Montrl.†	S	20	68
Bombay	C	30	86	Moscow	C	12	54
Bordx.	F	23	73	Munich	S	24	75
Boulgn.	F	20	68	Nairobi	C	21	70
Bristol	S	22	72	Naples	F	25	77
Brussels	S	23	73	Nwcstl.	S	23	73
Budpst.	F	24	75	N. Delhi	C	30	86
Cairo	S	32	90	N. York†		—	—
Cardiff	S	23	73	Nice	C	25	77
Cape T.	F	16	61	Nicosia	S	19	66
Csblca.†	F	22	72	Oporto	S	22	72
Cologne	S	28	82	Oslo	S	25	77
Copnhgn.	S	23	73	Paris	S	25	77
Corfu	F	29	84	Peking	F	25	77
Dallas	S	24	75	Perth	C	19	66
Dublin	S	22	72	Prague	S	26	79
Dbrvnk.	T	19	66	Reykjvk.	C	11	52
Ednbgh.	S	22	72	Rhodes	S	29	84
Faro	S	31	88	Rio J'o		—	—
Florence	S	25	77	Roma	F	26	79
Frankft.	S	30	86	Salzbrg.	S	27	81
Geneva	S	23	73	S F'cisco†	F	14	57
Gibraltar	S	28	82	Singapr.	F	31	88
Glasgow	C	22	72	S'tiago		—	—
G'rnsey	C	17	63	Stckhm.	F	24	75
Helsinki	C	13	55	Strasbg.	S	26	79
H. Kong	C	31	88	Sydney	C	16	61
Innsbrk.	S	23	73	Tel Aviv	S	31	88
Invrnss.	S	22	72	Tenerife	F	26	79
I. o Man	S	20	68	Tokyo	C	28	82
Istanbul	F	26	79	T'ronto†	S	21	70
Jersey	C	18	64	Tunis	F	29	84
Jo'burg	S	17	63	Valencia	F	30	86
L. Plms.	F	24	75	Venice	F	25	77
Lisbon	S	26	79	Vienna	S	26	79
Locarno	F	22	72	Warsaw	S	23	73
London	S	22	72	Zurich	C	22	72

C—Cloudy. F—Fair. R—Rain. S—Sunny. T—Thunder.
† Noon GMT temperatures.

THE LEX COLUMN

Hawke hovers high over the bulls

The movement in Australian share prices since Mr Hawke's Labor Party waltzed to victory on March 5 has rather belied the four days of panic selling which followed February's state election upset by Labor in Western Australia. This was seen at the time as an ominous portent; but Mr Whitlam's spectral spirit turns out to have been exorcised in remarkably short order.

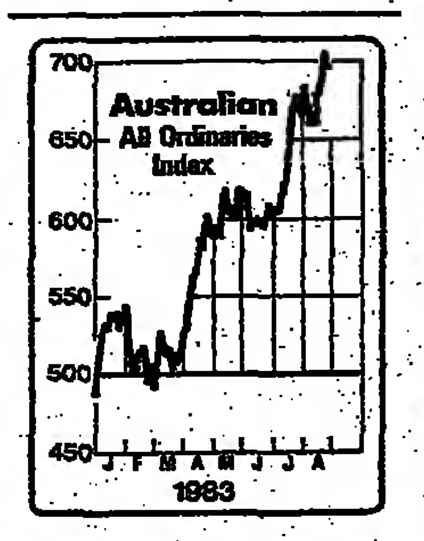
This week's budget contained no innovative tax horrors à la 1973 and has accordingly been less a watershed than another reassurance to investors who have in recent months sustained a bull market good enough to support well over A$1 bn in new shares placed and rights issues taken up. Yesterday's A$98.7m rights issue from ICI Australia followed another for A$128m from the National Commercial Banking Corporation on Thursday. Among the leading mining and resource companies, only MIM and Western Mining have yet to succumb to the new issue market's charms.

The Australian All Ordinaries at 512.6 and the All Industrials at 651 on March 31 had spent the immediate post-election weeks going nowhere. The 34 per cent jump in the Oil and Gas Index during April, to 485, suggests that the rally owes a great deal to the Opec conference at Easter and the new strength in the international oil market. The Ordinaries Index reached 592 at the end of April, meandered through May and June and has risen to a peak this week of 708.4.

In these conditions, the new shares have evidently been welcomed by many of the domestic institutions as an opportunity to rebuild underweight portfolio positions. The impact of foreign cash also appears significant: ERISA funds from the U.S. are estimated to have doubled their commitment to Australia since April, looking for a way to ride the anticipated recovery in world commodity prices. This recovery is already well advanced in aluminium, where producers have the upper hand, but is less assured elsewhere, and has not even begun in lead.

Foreign investors in Australia might be unwise to assume that the absence of a gold mining tax and a resources rent tax from Tuesday night's budget has laid either notion to rest. Yet while Canberra struggles with their legislative complexity most brokers feel confident the whole issue can be left out of account for at least another six months.

Index rose 4.7 to 722.1



The broking community's earnest hope might well have fathered any such confidence. But a similar impression, of major changes being deferred, also hangs over other key areas of economic policy and indeed the budget itself.

The Labor government has certainly taken every opportunity so far to display its credentials as a champion of domestic versus foreign investment in the Australian economy with adverse decisions affecting subsidiaries of Unilever, Cadbury Schweppes and Citibank among others. But Mr Hawke's cabinet has yet to face the real test of proffered investment in a resources project involving clear conflicts of interest and it remains unclear how signal will be the change, if any, from the direct investment policy of recent years.

Its first full budget, as expected, has ducked out of major tax cuts and job creation plans. But a broadly Keynesian package does include a Government deficit of 4.7 per cent of GDP, at A$8.4m. A great deal has been left to the healing power of a continuing world recovery — and Mr Hawke's ability to restrain wage increases to 7 per cent in the meantime.

Anything stronger than a 3 per cent growth in GDP as forecast could easily embarrass Mr Hawke in this exercise. But he can at least draw strength from the fact that neither the unions nor the corporate sector are expecting this Labor Prime Minister to disappear as suddenly as his predecessor.

Harold Ingram

It seems that there is nothing like a Turkish name to stir up excitement on the London stock exchange. Hard on the heels of Asil Nadir of Polly Peck fame, to say nothing of Mellins, comes the improbably named Wasskon Establishment in pursuit of a thoroughly British — and bombed out—textile company, Harold Ingrams.

On the face of it this is a bizarre tale of midsummer madness on Throgmorton Street. The Ingram share price, which has not moved above 50p for almost a decade, shot up within a couple of days to reach 328p at one stage before being suspended at 300p. This price movement had nothing to do with the expected take-over price, and yesterday the Liechtenstein-based Wasskon surprised no one by announcing a 65p per share offer for the outstanding minority of Ingram equity.

The Ingram story parallels developments at Bellair Cosmetics, where Wasskon bought what was almost a shell company and drove the price sky high earlier this year. In each case the outside investors appear to have moved in on the expectation that these companies will be used as vehicles for much larger operations.

The Stock Exchange, justifiably, does not permit outright shells to be bought as a backdoor route for businesses to obtain a quotation. If permitted, that procedure would drive a coach and horses through its safeguards and regulations. But the Polly Peck example shows that it is possible to buy an existing trading business, however small, and bolt on to it over a period of years a number of substantial new businesses, retaining the quotation of the original through the process.

Apart from being counter to the spirit of the Stock Exchange's listing procedures, this practice runs the risk of encouraging insider trading. The overseas involvement makes it particularly difficult for the Exchange to monitor the flow of price sensitive information.

A London quotation has obvious attractions, particularly if it can be bought cheaply. The market is liquid, disclosure requirements are generally less onerous than in New York and high valuations are, at least currently, the order of the day. From the Stock Exchange's point of view, there is no easy way to stop these creeping transformations. It should, however, be prepared to ensure a suspension earlier than it did in the case of Harold Ingram and to keep the shares frozen until far more is known about the offerors and their intentions. It should also be prepared to come down hard at a later stage on companies that break their original undertakings.